

REPUBLIC OF SOUTH AFRICA

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# **DIVISION OF REVENUE BILL**

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*(As introduced in the National Assembly (proposed section 76); explanatory summary of  
Bill published in Government Gazette No. 37337 of 21 February 2014)  
(The English text is the official text of the Bill)*

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(MINISTER OF FINANCE)

**[B 5—2014]**

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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 2014/15 financial year, the determination of each province's equitable share and allocations to provinces, local government and municipalities from national government's 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,

**B**E 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;

- “**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;
- “**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;
- “**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 2014/15 financial year;
  - (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—
- (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;
- “**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);
- “**Public Transport Infrastructure Grant**” means the Public Transport Infrastructure Grant referred to in Part B of Schedule 5;
- “**Public Transport Network Operations Grant**” means the Public Transport Network Operations 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—
- (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
  - (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;

“**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 5
- (b) a Schedule 4, 5 or 7 allocation transferred 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; 10

“**School Infrastructure Backlogs Grant**” means the School Infrastructure Backlogs Grant referred to in Part A of Schedule 6;

“**Technical Secondary Schools Recapitalisation Grant**” means the Technical Secondary Schools Recapitalisation Grant referred to in Part A of Schedule 5; 15

“**this Act**” includes any framework or allocation published, or any regulation made, in terms of this Act;

“**transferring national officer**” means the accounting officer of a national department that transfers a Schedule 4, 5 or 7 allocation to a province or municipality or spends a Schedule 6 allocation on behalf of a province or 20 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. 25

## Objects of Act

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; 30
  - (ii) the determination of each province’s equitable share of the provincial share of that revenue;
  - (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; 35
- (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
- (c) promote transparency and accountability in the resource allocation process, 40 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.

## CHAPTER 2 45

### EQUITABLE SHARE ALLOCATIONS

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

3. (1) Revenue raised nationally in respect of the 2014/15 financial year must be divided among the national, provincial and local spheres of government for their equitable share allocations as set out in Column A of Schedule 1. 50

(2) An envisaged division of revenue anticipated to be raised in respect of the 2015/16 financial year and the 2016/17 financial year, and which is subject to the provisions of the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 1.

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

4. (1) Each province's equitable share of the provincial share of revenue raised nationally in respect of the 2014/15 financial year is set out in Column A of Schedule 2.
- (2) An envisaged division for each province of revenue anticipated to be raised nationally in respect of the 2015/16 financial year and the 2016/17 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. 5
- (3) The National Treasury must transfer each province's equitable share allocation referred to in subsection (1) to the corporation for public deposits account of the province in accordance with the payment schedule determined in terms of section 23. 10

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

5. (1) Each municipality's share of local government's equitable share of revenue raised nationally in respect of the 2014/15 financial year is set out in Column A of Schedule 3.
- (2) An envisaged division between municipalities of revenue anticipated to be raised nationally in respect of the 2015/16 financial year and the 2016/17 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. 15
- (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 4 July 2014, 28 November 2014 and 20 March 2015, in accordance with the payment schedule determined in terms of section 23. 20

### **Shortfalls and excess revenue**

6. (1) If the actual revenue raised nationally in respect of the 2014/15 financial year falls short of the anticipated revenue set out in Column A of Schedule 1, the national government bears the shortfall. 25
- (2) If the actual revenue raised nationally in respect of the 2014/15 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. 30
- (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— 35
- (a) national departments; or
  - (b) provinces or municipalities, as a conditional or an unconditional allocation.

## **CHAPTER 3**

### **CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES**

#### *Part 1*

#### *Conditional allocations* 40

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

7. (1) Conditional allocations to provinces for the 2014/15 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; 45
  - (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. 50



(2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the 2015/16 financial year and the 2016/17 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). 5

### **Conditional allocations to municipalities**

**8.** (1) Conditional allocations to local government in respect of the 2014/15 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; 10
- (b) Part B of Schedule 5, specifying specific-purpose allocations to municipalities; 10
- (c) Part B of Schedule 6, specifying allocations-in-kind to municipalities for designated special programmes; and
- (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. 15

(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 2015/16 financial year and the 2016/17 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). 20

(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 Infrastructure Grant listed in Column B of Part B of Schedule 5, may not be altered downwards in the Division of Revenue Acts for the 2015/16 financial year and 2016/17 financial year. 25

(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 2015/16 financial year and the 2016/17 financial year, for the purpose of securing a loan or any other form of financial or other support from that person or institution. 30

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

- (i) notify the relevant transferring national officer of the approval sought by a municipality and that the officer may submit comment to the National Treasury regarding the approval sought, within five working days after notification or such longer period as the National Treasury may approve; and 35
- (ii) consider any comment so submitted by the officer.

## **Part 2**

### ***Duties of accounting officers in respect of Schedule 4 to 7 allocations*** 40

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

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

- (a) ensure that transfers to all provinces and municipalities are— 45
  - (i) deposited only into the primary bank account of the relevant province or municipality; and
  - (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 financial and non-financial performance information on programmes partially or fully funded by an allocation in Part A of Schedule 4, in accordance with subsection (2) and the applicable framework; 50
- (c) monitor financial and non-financial performance information on the Urban Settlements Development Grant and Integrated City Development Grant against the capital budget and the service delivery and budget implementation plan; 55

- (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;
  - (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 5
  - (g) evaluate the performance of programmes funded or partially funded by the allocation and the submission of such evaluations to the National Treasury—
    - (i) in respect of a provincial department, within four months after the end of the 2014/15 financial year of the provincial department; and 10
    - (ii) in respect of a municipality, within seven months after the end of the 2014/15 financial year of the municipality.
- (2) Any monitoring programme or system that is utilised to monitor financial and non-financial performance information on a programme partially or fully funded by a Schedule 4 allocation must— 15
- (a) be approved by the National Treasury;
  - (b) not impose any excessive administrative responsibility on receiving officers beyond the provision of standard management information;
  - (c) be compatible and integrated with and not unnecessarily duplicate other relevant national, provincial and local systems; and 20
  - (d) support compliance with section 11(2).
- (3) A transferring national 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). 25

#### **Duties of transferring national officer in respect of Schedule 5 or 6 allocations**

- 10.** (1) The transferring national officer of a Schedule 5 or 6 allocation must—
- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that—
    - (i) the frameworks are reasonable and do not impose excessive administrative responsibility on receiving provincial departments and municipalities beyond the provision of standard management information; 30
    - (ii) 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 35
    - (iii) in respect of a Schedule 5 allocation, any business plans requested in respect of how allocations will be utilised by a province or municipality, as the case may be, have been approved before the start of the financial year;
  - (b) in respect of Schedule 5 allocations— 40
    - (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;
    - (ii) transfer funds only in accordance with the payment schedule determined in terms of section 23; and 45
    - (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 national officer must submit all relevant information and documentation referred to in subsection (1)(a) to the National Treasury within 14 days after this Act takes effect. 50
- (3) A transferring national officer, who has not complied with subsection (1), must transfer the allocation in the manner instructed by the National Treasury, including transferring the allocation as an unconditional allocation. 55
- (4) Before making the first transfer of any allocation in terms of subsection (1)(b), the transferring national officer must take note of any notice in terms of section 31(1) containing the details of the relevant primary bank accounts.
- (5) The transferring national officer of a Schedule 5 allocation to a municipality is responsible for monitoring financial and non-financial performance information on programmes funded by the allocation. 60

- (6) The transferring national officer of a Schedule 5 or 6 allocation must, as part of the reporting envisaged in section 40(4)(c) of the Public Finance Management Act, submit information, in the format determined by the National Treasury, for the month in question, and for the 2014/15 financial year up to the end of that month, on—
- (a) the amount of funds transferred to a province or municipality; 5
  - (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 national officer and the receiving officer to deal with the matters or causes that necessitated the withholding or stopping of the payment; 10
  - (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 national officer in respect of a Schedule 6 allocation;
  - (e) any matter or information that may be required by the relevant framework for the particular allocation; and 15
  - (f) such other matters as the National Treasury may determine.
- (7) A transferring national officer must submit to the National Treasury—
- (a) a monthly provincial report on infrastructure expenditure partially or fully funded by the Health Facility Revitalisation Grant or Technical Secondary Schools Recapitalisation Grant within 30 days after the end of each month, in the format determined by the National Treasury; and 20
  - (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. 25
- (8) The transferring national officer must evaluate the performance of all programmes partially or fully funded by a Schedule 5 or 6 allocation and submit such evaluations to the National Treasury—
- (a) in respect of a provincial department, within four months after the end of the 2014/15 financial year of the provincial department; and 30
  - (b) in respect of a municipality, within seven months after the end of the 2014/15 financial year of the municipality.
- (9) The transferring national officer for the Public Transport Infrastructure Grant, Neighbourhood Development Partnership Grant or Integrated National Electrification Programme Grant to a metropolitan municipality— 35
- (a) may only transfer the grant if the municipality has submitted a built environment performance plan in terms of section 14(1);
  - (b) must consider that built environment performance plan when monitoring and evaluating the performance of the municipality and assessing envisaged plans and allocations for the municipality. 40
- (10) The transferring national officer for the Human Settlements Development Grant must—
- (a) in consultation with the receiving officer and the National Treasury, determine the allocations for the 2014/15 financial year and the indicative allocations for the 2015/16 financial year and the 2016/17 financial year from the Human Settlements Development Grant for each municipality that has level one or two accreditation; 45
  - (b) submit the allocations and indicative allocations to the National Treasury not later than 28 days after this Act takes effect; and
  - (c) publish by notice in the *Gazette* the allocations and indicative allocations within 14 days after submission to the National Treasury. 50

#### **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 national officer is allocated and spent. 55
- (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 according to the purpose of the allocation; and 60

- (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 2014, December 2014, 5  
March 2015 and June 2015, report to the transferring national 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 10  
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 national officer and the National Treasury— 15
  - (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 20  
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 national officer of the Urban Settlements Development Grant, Public Transport Infrastructure Grant and Integrated National Electrification Programme Grant and the accounting officer of any other national 25  
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 national officer—
  - (a) as part of the report required in section 40(4)(c) of the Public Finance Management Act, reports on financial and non-financial performance of 30  
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 35  
funded by a Schedule 4 allocation within 15 days after the end of each month, in the format determined by the National Treasury.
- (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. 40
- (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 national officer and the relevant provincial treasury within two months—
  - (a) in respect of a provincial department, after the end of the 2014/15 financial 45  
year of the provincial department; and
  - (b) in respect of a municipality, after the end of the 2014/15 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 50  
with the relevant framework.
- (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) 55  
and submit a copy of that report to the relevant provincial treasury and the transferring national officer;

- (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant transferring national officer; and
- (c) a province or municipality, submit a quarterly non-financial performance report within 30 days after the end of each quarter to the transferring national officer and the relevant provincial treasury. 5
- (3) A report for a province in terms of subsection (2)(a) must set out for the month in question and for the 2014/15 financial year up to the end of the month—
- (a) the amount received by the province; 10
- (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;
- (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; 15
- (e) the available figures regarding the expenditure by a public entity referred to in paragraph (d);
- (f) the extent of compliance with this Act and with the conditions of the allocation provided for in its framework, based on the available information at the time of reporting; 20
- (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; 25
- (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 2014/15 financial year up to the end of that month— 30
- (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; 35
- (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 matters or information that may be determined in the framework for the allocation; and 40
- (f) such other matter 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 national officer and the relevant provincial treasury within two months— 45
- (a) in respect of a provincial department, after the end of the 2014/15 financial year of the provincial department; and
- (b) in respect of a municipality, after the end of the 2014/15 financial year of the municipality.
- (6) (a) The receiving officer of the Human Settlements Development Grant must, in consultation with the transferring national officer, publish in the *Gazette* within 14 days after this Act takes effect, the planned expenditure from the Human Settlements Development Grant, for the 2014/15 financial year, the 2015/16 financial and the 2016/17 financial year per municipality with level one or level two accreditation. 50
- (b) The planned expenditure must indicate the expenditure to be undertaken directly by the province and transfers to each municipality. 55

#### **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— 60

- (a) provide the relevant provincial treasury with a list of all infrastructure projects for education, health and roads over the medium term expenditure framework for tabling in the provincial legislature with the provincial Appropriation Bill in the format determined by the National Treasury;
  - (b) within seven days after the tabling in the legislature, submit the list to the transferring national officer and the National Treasury; and 5
  - (c) submit to the transferring national officer, the relevant provincial treasury and the National Treasury any amendment to the list and the reason for the amendment and table the amended list with the provincial Adjustments Appropriation Bill. 10
- (2) The receiving officer of the Education Infrastructure Grant or Health Facility Revitalisation Grant must—
- (a) submit to the transferring national officer, relevant provincial treasury and the National Treasury, in the format and on the date determined by the National Treasury, a document which sets out the infrastructure delivery management system by indicating the roles and responsibilities of the relevant provincial departments regarding infrastructure delivery and is approved by the Executive Council of the province; 15
  - (b) on a quarterly basis, submit to the transferring national 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; 20
  - (c) report on all infrastructure expenditure partially or fully funded by the grant to the transferring national officer, relevant provincial treasury and the National Treasury in the format and on the date determined by the National Treasury; 25
  - (d) maintain a database of every contract that is partially or fully funded by the grant and, if the contract is above the specified tender value, ensure that it is recorded in the register of projects in terms of section 22(3) of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000);
  - (e) ensure that infrastructure projects comply with construction industry best practise standards and guidelines, as identified and approved by the National Treasury; and 30
  - (f) within two months after the end of the 2014/15 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 35
    - (ii) submit the evaluation to the transferring national officer, the relevant provincial treasury and the National Treasury.

**Duties of receiving officer in respect of infrastructure conditional allocations to metropolitan municipalities** 40

- 14.** (1) The receiving officer of a metropolitan municipality must, by 30 May 2014, submit to the National Treasury a built environment performance plan that includes all projects partially or fully funded by—
- (a) the Integrated City Development Grant, Urban Settlements Development Grant, Public Transport Infrastructure Grant, Neighbourhood Development Partnership Grant or Integrated National Electrification Programme Grant; and 45
  - (b) money allocated for the Human Settlements Development Grant received from a national department or a province.
- (2) The built environment performance plan, referred to in subsection (1), must— 50
- (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:
    - (i) Project name;
    - (ii) budgeted value of the project; 55
    - (iii) sources of funding for the project; and
    - (iv) location of the project with respect to the municipality's integration zones; and
  - (c) be approved by its municipal council.

### **Duties in respect of annual financial statements and annual reports for 2014/15**

- 15.** (1) The 2014/15 financial statements of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate the total amount of that allocation transferred to a province or municipality; 5
  - (b) indicate any transfer withheld or stopped in terms of section 18 or 19 in respect of each province or municipality and the reason for the withholding or stopping;
  - (c) indicate any reallocations by the National Treasury in terms of section 20; 10
  - (d) certify that all transfers to a province or municipality were deposited into the primary bank account of a province or municipality; and
  - (e) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer.
- (2) The 2014/15 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—
- (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 were monitored; 20
  - (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 2014/15 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—
- (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 30
  - (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.
- (4) The 2014/15 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; 35
  - (b) indicate the steps taken to address non-compliance with this Act;
  - (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. 40
- (5) The 2014/15 financial statements and annual report of a municipality receiving an allocation in Schedule 4, 5 or 7 must be prepared in accordance with the Municipal Finance Management Act.
- (6) The National Treasury may determine how transferring national officers and receiving officers report on conditional allocations to municipalities on a quarterly basis 45 to facilitate the audit of the allocations for the 2014/15 financial year.

### **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 50 by notice in the *Gazette*—
- (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 55
  - (c) the framework for each conditional allocation in Schedules 4 to 7.

(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 national officer; and 5
- (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,

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*. 10

### **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. 15

(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 and the National Treasury approves the agreed payment schedule and—

- (a) the transfer— 20
  - (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 25
    - (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. 30

(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 national officer of the Department of Energy; 35
- (b) a water board, as defined in section 1 of the Water Services Act, 1997 (Act No. 108 of 1997), may receive funds directly from the transferring national officer of the Department of Water Affairs or the Department of Human Settlements.

(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 2014, must, by the date determined by the National Treasury, comply with subsection (2) by— 40

- (i) entering into a payment schedule; and
- (ii) submitting the payment schedule to the National Treasury for approval.

(b) If a municipality receives accreditation after 1 April 2014, the National Treasury may approve that paragraph (a) applies. 45

(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.

(5) If a function partially or fully funded by the Human Settlements Development Grant is assigned by a province to a municipality having a level 3 accreditation, as envisaged in section 10 of the Municipal Systems Act— 50

- (a) funds from that Grant 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; 55
- (b) any project or contract regarding the function must, if possible, be finalised by the province before the date the function is assigned and, if not finalised, the province must notify the relevant municipality and the National Treasury;
- (c) any project or contract regarding the function not finalised at the date at which the function is assigned, must be subjected to an external audit and the 60



- province and the municipality must enter into an agreement to cede to the municipality all contracts related to the function;
- (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 2015 and will not be available in terms of section 30 of the Public Finance Management Act or section 29(6)(c);
- (e) the receiving officer of the province must submit to the transferring national 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
- (f) the receiving officer of a municipality assigned the function must, within one month from the date of the stopping of funds in terms of paragraph (a) confirm to the transferring national officer that the planned expenditure submitted by the receiving officer of the province in terms of section 12(6)(a) will be implemented by the municipality or submit revised planned expenditure.
- (6) If a function is partially or fully funded by the Public Transport Operations Grant, is assigned by a province to a municipality, as envisaged in section 10 of Municipal Systems Act, subsection (5) applies with the necessary changes.
- (7) A project funded by the Human Settlements Development Grant that is initiated after 1 April 2014, must be implemented in terms of an agreement with the municipality and aligned to the allocations for the municipality in the applicable framework.

#### **Withholding of allocations**

- 18.** (1) Subject to subsections (2) and (3), a transferring national officer may withhold the transfer of a Schedule 4 or 5 allocation, or any portion thereof, for a period not exceeding 30 days, if—
- (a) the province or municipality does not comply with any provision of this Act;
- (b) roll-overs of conditional allocations approved by the National Treasury in terms of section 21 have not been spent; or
- (c) a satisfactory explanation is not given for significant under-expenditure on previous transfers during the 2014/15 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.
- (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 national officer must, at least seven working days before withholding an allocation in terms of subsection (1)—
- (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
- (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.
- (6) (a) The National Treasury may instruct, or approve a request from, the transferring national officer to withhold an allocation in terms of subsection (1) for a period longer than 30 days, but not exceeding 120 days, if the withholding will—
- (i) facilitate compliance with this Act; or
- (ii) minimise the risk of under-spending.
- (b) When requesting the withholding of an allocation in terms of this subsection, a transferring national officer must submit to the National Treasury proof of compliance with subsection (4) and any representations received from the receiving officer.
- (c) The transferring national officer must again comply with subsection (4) when the National Treasury instructs or approves a request by the transferring national officer in terms of paragraph (a).

### Stopping of allocations

- 19.** (1) Despite section 18, the National Treasury may, in its discretion or on request of a transferring national officer or receiving officer, stop the transfer of a Schedule 4 or 5 allocation, or a portion thereof, to a province or municipality—
- (a) on the grounds of persistent and material non-compliance with this Act; 5
  - (b) if the National Treasury anticipates that a province or municipality will substantially underspend on the allocation, or any programme partially of fully funded by the allocation, in the 2014/15 financial year;
  - (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 10
  - (d) if a province implementing an infrastructure project does not comply with construction industry best practise standards and guidelines, as identified and approved by the National Treasury.
- (2) The National Treasury must, before stopping an allocation in terms of subsection (1)(a), (b) or (d)— 15
- (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
  - (b) inform the relevant provincial treasury of its intention to stop the allocation. 20
- (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. 20
- (4) (a) The National Treasury may, by notice in the *Gazette*, approve that an allocation, or any portion thereof, stopped in terms of subsection (1)(a), (b) or (d), be utilised to meet any outstanding statutory or contractual financial commitment of the province or municipality in question. 25
- (b) The utilisation of funds envisaged in this subsection is a direct charge against the National Revenue Fund.

### Reallocation of funds

- 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 national 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 2014/15 financial year or the 2015/16 financial year. 30 35
- (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 national 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 2014/15 financial year or the 2015/16 financial year. 40
- (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 re-allocation.
- (3) (a) The National Treasury must— 45
- (i) give notice in the *Gazette* of a reallocation; and
  - (ii) provide a copy of the notice to the transferring national officer and each affected receiving officer.
- (b) The reallocation of an allocation or a portion thereof on condition that it must be spent by the end of the 2015/16 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. 50
- (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— 55
- (i) section 100 of the Constitution, the transferring national officer to spend an allocation stopped in terms of section 19 on behalf of the relevant province;

- (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 national officer to spend an allocation stopped in terms of section 19 on behalf of the relevant municipality. 5

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

(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 2014/15 financial year, the National Treasury may, after consultation with the transferring national officer and the national department responsible for local government, authorise that any part of the likely unspent portion of the allocation be reallocated to pay for the reconstruction and rehabilitation of infrastructure damage caused by a disaster. 10 15

(b) The reallocated funds must be utilised in the 2014/15 financial year and for the same conditional allocation and the same province or municipality to which the allocation was originally made.

(c) The transferring national 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. 20

### 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 25
- (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 national officer or at the request of the transferring national officer or the affected receiving officer, convert any portion of— 30

- (i) an allocation listed in Part B of Schedule 4 or 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; 35
- (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;
- (v) the Public Transport Infrastructure Grant to the Public Transport Network Operations Grant; 40
- (vi) the Public Transport Network Operations Grant to the Public Transport Infrastructure Grant; or
- (vii) the Human Settlements Development Grant listed in Part A of Schedule 6 to the Human Settlements Development Grant listed in Part A of Schedule 5. 45

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

(3) The National Treasury must—

- (a) give notice in the *Gazette* of a conversion in terms of subsection (1); and
- (b) provide a copy of the notice to the transferring national officer and each affected receiving officer. 50

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

### Unspent conditional allocations

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 2014/15 financial year reverts to the National Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2). 55

- (2) The National Treasury may, at the request of a transferring national officer, receiving officer or provincial treasury, approve a roll-over of a conditional allocation to the 2015/16 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. 5
- (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 national officer of all processes regarding the request. 10
- (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), 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 15
  - (b) in the case of a municipality, against future advances for the equitable share or conditional allocations to that municipality.
- (5) Before any funds are offset in terms of subsection (4), the National Treasury must give the relevant transferring national officer, province or municipality—
- (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 20
  - (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; 25
    - (ii) propose alternative means acceptable to the National Treasury by which the unspent allocations can be paid into the National Revenue Fund; and
    - (iii) propose an alternative payment schedule in terms of which the unspent allocations will be paid into the National Revenue Fund. 30

## CHAPTER 4

### MATTERS RELATING TO ALL ALLOCATIONS

#### 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. 35
- (b) In determining the payment schedule, the National Treasury must take into account the monthly expenditure commitments of provinces and seek to minimise risk and debt servicing costs for national and provincial government.
- (c) Despite paragraph (a), the National Treasury may, for cash management purposes relating to the corporation for public deposits account or when an intervention in terms of section 100 of the Constitution takes place, on such conditions as it may determine, advance funds to a province in respect of its equitable share or a portion of it which has not yet fallen due for transfer in terms of the payment schedule. 40
- (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. 45
- (2) (a) The National Treasury must, after consultation with the accounting officer of the national department responsible for local government, determine the payment schedule for the transfer of a municipality's equitable share allocation.
- (b) Despite paragraph (a), National Treasury may approve a request or direct that the equitable share or a portion of the equitable share which has not yet fallen due for transfer in terms of the payment schedule, be advanced to a municipality— 50
- (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 55
  - (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.

(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. 5

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

(c) Before the submission of a payment schedule in terms of paragraph (b), the transferring national officer must, in relation to a Schedule 4 or 5 allocation, consult the relevant receiving officer. 10

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

(5) The transfer of a Schedule 4 or 5 allocation to a municipality must accord with the financial year of the municipality. 15

#### **Amendment of payment schedule**

**24.** (1) (a) Subject to subsection (2), a transferring national officer of a Schedule 4 or 5 allocation must, within seven days of the withholding or stopping of an allocation in terms of section 18 or 19, submit an amended payment schedule to the National Treasury for approval. 20

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

(2) For purposes of better debt and cash-flow management or addressing financial mismanagement or financial misconduct or slow or accelerated expenditure, the National Treasury may amend any payment schedule for an allocation listed in Schedule 2, 3, 4 or 5, after notifying, in the case of— 25

(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; 30

(c) a Schedule 4 or 5 allocation, the relevant transferring national 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 35

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

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

#### **Transfers made in error or fraudulently** 40

**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 national officer must, without delay, recover an overpayment referred to subsection (1), unless an instruction has been issued in terms of subsection (3). 45

(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. 50

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

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

(a) amend any allocation or framework published in terms of section 16(1), as amended in terms of section 16(2); 55

- (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.
- (2) Section 16(2) and (3) applies with the necessary changes to allocations and frameworks published in terms of subsection (1). 5
- (3) (a) The transferring national officer may, with the approval of the National Treasury, transfer a Schedule 7 allocation to a province or municipality within a period from three days up to three months following a declared disaster in terms of the conditions of the Disaster Management Act, 2002 (Act No. 57 of 2002). 10
- (b) The transferring national officer must notify the relevant provincial treasury and the National Treasury within 14 days of a transfer of a Schedule 7 allocation to a province or municipality.
- (c) The National Treasury must publish a Schedule 7 allocation by notice in the *Gazette* within 21 days after being notified in terms of paragraph (b). 15
- (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 2015/16 financial year and 2016/17 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 2015/16 financial year and the 2016/17 financial year as set out in Column B of the Schedules to this Act, by 2 October 2014— 20
- (i) agree on the provisional allocations and the projects to be funded from those allocations in the 2015/16 financial year and the 2016/17 financial year with each category B municipality within the category C municipality's area of jurisdiction; and 25
  - (ii) submit to the transferring national officer—
    - (aa) the provisional allocations referred to in subparagraph (i); and
    - (bb) the projects referred to in subparagraph (i), listed per municipality. 30
- (b) If a category C municipality and a category B municipality cannot agree on the allocations and projects referred to in paragraph (a), the category C municipality must request the relevant transferring national officer to facilitate agreement.
- (c) The transferring national officer must take all necessary steps to facilitate agreement as soon as possible, but no later than 60 days after receiving a request referred to in paragraph (b). 35
- (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 national officer and the National Treasury, before publication and the submission of the allocations referred to in paragraph (a)(ii). 40
- (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 2014, the National Treasury may determine the provisional allocations and provide those provisional allocations to the affected municipalities and the transferring national officer. 45
- (f) (i) The transferring national 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 5 December 2014.
- (ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 5 December 2014, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the 2015/16 financial year. 50
- (2) (a) The transferring national officer of a conditional allocation, using the indicative conditional allocations for the 2015/16 financial year and the 2016/17 financial year as set out in Column B of the affected Schedules to this Act, must, by 2 October 2014, submit to the National Treasury for approval— 55
- (i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the 2015/16 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 60

- (iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii) in the format to be determined by the National Treasury.
- (b) Any proposed amendment or adjustment for the 2015/16 financial year of the allocation criteria of an existing conditional allocation must be agreed with the National Treasury before the submission of the provisional allocations and draft frameworks referred to in paragraph (a)(ii) and (iii). 5
- (c) If the transferring national officer fails to comply with paragraph (a) by 2 October 2014, the National Treasury may determine—
- (i) the provisional allocations in paragraph (a)(i);
  - (ii) any amendments to the indicative allocations contemplated in paragraph (a)(ii); and 10
  - (iii) the draft frameworks for the allocations referred to in paragraph (a)(iii), and submit the information to the affected provinces or municipalities.
- (d) (i) The transferring national officer must, under his or her signature, submit the final allocations and frameworks based on the provisional allocations and frameworks referred to in paragraph (a)(i) and (ii) to the National Treasury by 5 December 2014. 15
- (ii) The transferring national 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). 20
- (iii) If the transferring national officer fails to submit the allocations and frameworks referred to in subparagraph (i) by 5 December 2014, the National Treasury may determine the appropriate allocations and frameworks taking into consideration the indicative allocations for the 2015/16 financial year.
- (3) The National Treasury may instruct transferring national 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 2015/16 financial year. 25
- (4) (a) For purposes of the Education Infrastructure Grant or Health Facility Revitalisation Grant in the 2015/16 financial year, the accounting officer of the relevant provincial department must, in the format and on the date determined by the National Treasury, submit to the transferring national officer, the relevant provincial treasury and the National Treasury— 30
- (i) approved project proposals for all projects in the planning stage in the 2015/16 financial year and 2016/17 financial year; and 35
  - (ii) approved concept reports for all projects in the design or construction stage in the 2015/16 financial year.
- (b) For purposes of the Education Infrastructure Grant or Health Facility Revitalisation Grant in the 2016/17 financial year, the accounting officer of the relevant provincial department must, in the format and on the date determined by the National Treasury, submit to the transferring national officer, the relevant provincial treasury and the National Treasury— 40
- (i) a user asset management plan for all infrastructure programmes for a period of at least 10 years; and
  - (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. 45
- (c) The National Treasury must notify the transferring national 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. 50

#### **Transfers before commencement of Division of Revenue Act for 2015/16 financial year**

- 28.** (1) Despite sections 3(2), 7(2) and 8(2), if the Division of Revenue Act for the 2015/16 financial year has not commenced before or on 1 April 2015, 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. 55
- (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 60

applicable framework for the 2014/15 financial year and the other requirements of this Act as if it is an amount of an allocation for the 2014/15 financial year.

## CHAPTER 5

### DUTIES AND POWERS OF MUNICIPALITIES, PROVINCIAL TREASURIES AND NATIONAL TREASURY 5

#### 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 2014/15 financial year, the 2015/16 financial year and the 2016/17 financial year, except if submitted in terms of any other legislation before the end of the 10 day period. 10

(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. 15

(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. 20

(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— 25

(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. 30

(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—

(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 35

(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. 40

(b) A category C municipality must make transfers in accordance with the payment schedule submitted in terms of paragraph (a). 45

(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); 50

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

(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). 55



(c) If an allocation is stopped in terms of this subsection, the National Treasury may, after consultation with the transferring national officer, determine that a portion of the allocation that will not be spent, be reallocated to one or more municipalities, on condition that the allocation will be spent by the end of the 2014/15 financial year or the 2015/16 financial year. 5

(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. 10

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

- (a) ensure that it reports on financial and non-financial performance related to the requirements specified in the relevant framework; and
- (b) submit the reports to the receiving officer, the transferring national officer and the National Treasury. 15

### Duties and powers of provincial treasuries

**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*— 20

- (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; 25
- (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; 30
- (iv) the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the 2015/16 financial year and the 2016/17 financial year;
- (v) the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs; and 35
- (vi) the budget of each school and each hospital in a format determined by the National Treasury.

(b) The allocations and budgets referred to in paragraph (a) must be regarded as final when the provincial appropriation Act takes effect. 40

(c) If the provincial legislature amends its appropriation Bill, the provincial treasury must publish amended allocations and budgets by notice in the *Gazette* within 14 days after the appropriation Act takes effect, and those allocations and budget must be regarded as final.

(3) (a) Despite subsection (2) or any other legislation, a provincial treasury may, in accordance with a framework determined by the National Treasury, amend the allocations referred to in subsection (2) or make additional allocations to municipalities that were not published in terms of subsection (2). 45

(b) Any amendments to the allocations published in terms of subsection (2)(a) or (c) must be published by notice in the *Gazette* not later than 14 February 2015 and takes effect on the date of the publication. 50

(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—

- (a) actual transfers received by the province from national departments; 55
- (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. 60

- (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);
  - (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 national officer, determine the payment schedule.
- (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.
- (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.
- (8) On receipt of a request in terms of subsection (7), the National Treasury must—
- (a) consult the transferring national 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
  - (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 national officers containing the details of the primary bank accounts of each province and municipality.
- (2) The National Treasury must, together with the statement envisaged in section 32(2) of the Public Finance Management Act, publish a report on actual transfers of all allocations listed in Schedules 4, 5, 6 and 7 or made in terms of section 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.

### **CHAPTER 6**

#### **GENERAL**

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

32. The accounting officer of a provincial department or municipality that receives funds from a public entity as a grant, sponsorship or donation must disclose in its financial statements the purpose and amount thereof.

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

33. (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.
- (2) If a dispute is referred back by a court in accordance with section 41(4) of the Constitution, due to the court not being satisfied that the organ of state approaching the court has complied with subsection (1), the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful.

(3) The amount of any such fruitless and wasteful expenditure must, in terms of the 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).

### **Irregular expenditure** 5

**34.** 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);
- (b) a transfer by a transferring national officer to a bank account of a province or municipality that is not the primary bank account; 10
- (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**

**35.** (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. 15

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

### **Delegations and assignments** 20

**36.** (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— 25

- (a) is subject to any limitations or conditions that the Minister may impose;
- (b) may authorise that official to subdelegate, 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. 30

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

(4) (a) 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. 35

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

### **Exemptions**

**37.** (1) The Minister may, if good grounds exist, approve a departure from a provision of a framework, a regulation made under section 38 or a condition imposed in terms of this Act. 40

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

- (a) cannot be implemented in practice;
- (b) impede the achievement of any object of this Act; or 45
- (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** 50

**38.** 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**

- 39.**(1) Subject to subsection (2)— 5
- (a) the Division of Revenue Act, 2013 (Act No. 2 of 2013), except sections 16 and 26; and
- (b) the Division of Revenue Amendment Act, 2013 (Act No. 29 of 2013), is hereby repealed.
- (2) The repeal of the Division of Revenue Act, 2013, does not affect— 10
- (a) any duty to be performed in terms of that Act after the end of the 2014/15 financial year; and
- (b) any obligation set out in that Act, the execution of which is still outstanding.

### **Short title and commencement**

- 40.** This Act is called the Division of Revenue Act, 2014, and takes effect on 1 April 15 2014 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	
	2014/15 Allocation	Forward Estimates	
		2015/16	2016/17
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
National <sup>1,2</sup>	735 604 179	794 415 136	858 716 824
Provincial	362 468 075	387 967 462	412 038 815
Local	44 490 145	50 207 698	52 868 706
<b>TOTAL</b>	<b>1 142 562 399</b>	<b>1 232 590 296</b>	<b>1 323 624 345</b>

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

### SCHEDULE 2

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

Province	Column A	Column B	
	2014/15 Allocation	Forward Estimates	
		2015/16	2016/17
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Eastern Cape	52 154 185	55 389 093	57 876 235
Free State	20 883 346	22 223 230	23 158 399
Gauteng	68 672 720	74 214 209	80 243 782
KwaZulu-Natal	78 138 477	83 347 554	87 887 479
Limpopo	43 274 194	46 108 942	48 621 896
Mpumalanga	29 354 919	31 448 977	33 727 900
Northern Cape	9 651 945	10 276 650	10 941 191
North West	24 706 979	26 527 825	28 385 986
Western Cape	35 631 310	38 430 982	41 195 947
<b>TOTAL</b>	<b>362 468 075</b>	<b>387 967 462</b>	<b>412 038 815</b>

## SCHEDULE 3

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

Number		Municipality		National Financial Year		
				2014/15 Allocation	Column B	
					Forward Estimates	
			2015/16	2016/17		
		R'000	R'000	R'000		
<b>EASTERN CAPE</b>						
A	BUF	Buffalo City	656 674	653 273	641 160	
A	NMA	Nelson Mandela Bay	761 606	771 725	785 837	
B	EC101	Camdeboo	40 950	43 380	43 906	
B	EC102	Blue Crane Route	42 429	44 635	44 191	
B	EC103	Ikwezi	18 211	20 719	21 114	
B	EC104	Makana	72 184	75 677	76 030	
B	EC105	Ndlambe	64 894	72 961	76 514	
B	EC106	Sundays River Valley	46 351	55 166	59 358	
B	EC107	Baviaans	20 481	23 535	24 202	
B	EC108	Kouga	66 129	81 630	91 004	
B	EC109	Kou-Kamma	33 884	37 570	39 380	
C	DC10	Cacadu District Municipality	80 008	86 220	88 260	
<b>Total: Cacadu Municipalities</b>			<b>485 521</b>	<b>541 493</b>	<b>563 959</b>	
B	EC121	Mbhashe	162 715	209 526	211 432	
B	EC122	Mnquma	191 206	234 322	233 214	
B	EC123	Great Kei	36 762	42 276	41 659	
B	EC124	Amahlathi	105 384	124 108	121 899	
B	EC126	Ngqushwa	71 805	82 952	81 457	
B	EC127	Nkonkobe	106 485	130 370	129 803	
B	EC128	Nxuba	23 789	26 569	26 266	
C	DC12	Amathole District Municipality	663 551	699 665	741 553	
<b>Total: Amatole Municipalities</b>			<b>1 361 697</b>	<b>1 549 788</b>	<b>1 587 283</b>	
B	EC131	Inxuba Yethemba	40 564	40 812	38 419	
B	EC132	Tsolwana	31 320	38 783	39 422	
B	EC133	Inkwanca	21 231	25 082	25 314	
B	EC134	Lukhanji	118 301	127 277	125 368	
B	EC135	Intsika Yethu	115 999	146 291	147 367	
B	EC136	Emalahleni	92 038	116 794	118 123	
B	EC137	Engcobo	103 995	134 274	135 782	
B	EC138	Sakhisizwe	48 625	59 556	59 591	
C	DC13	Chris Hani District Municipality	413 744	446 891	479 451	
<b>Total: Chris Hani Municipalities</b>			<b>985 817</b>	<b>1 135 760</b>	<b>1 168 837</b>	
B	EC141	Elundini	101 878	132 254	134 621	
B	EC142	Senqu	110 942	135 923	136 091	
B	EC143	Maletswai	25 392	27 431	27 599	
B	EC144	Gariep	26 296	27 589	26 766	
C	DC14	Joe Gqabi District Municipality	194 848	213 968	229 780	
<b>Total: Joe Gqabi Municipalities</b>			<b>459 356</b>	<b>537 165</b>	<b>554 857</b>	
B	EC153	Ngquza Hill	153 542	200 006	202 325	
B	EC154	Port St Johns	93 453	120 820	122 183	
B	EC155	Nyandeni	169 496	216 524	218 793	
B	EC156	Mhlontlo	127 895	159 395	158 578	
B	EC157	King Sabata Dalindyebo	206 246	250 585	254 143	
C	DC15	O.R. Tambo District Municipality	552 334	622 004	673 550	
<b>Total: O.R. Tambo Municipalities</b>			<b>1 302 966</b>	<b>1 569 334</b>	<b>1 629 572</b>	
B	EC441	Matatiele	138 979	176 035	176 741	
B	EC442	Umzimvubu	136 168	169 714	168 943	
B	EC443	Mbizana	145 251	181 912	181 688	
B	EC152	Ntabankulu	79 930	99 000	98 423	
C	DC44	Alfred Nzo District Municipality	344 812	372 946	396 351	
<b>Total: Alfred Nzo Municipalities</b>			<b>845 140</b>	<b>999 607</b>	<b>1 022 146</b>	
<b>Total: Eastern Cape Municipalities</b>			<b>6 858 777</b>	<b>7 758 145</b>	<b>7 953 651</b>	

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2014/15 Allocation	Forward Estimates	
		2015/16	2016/17	
		R'000	R'000	R'000
<b>FREE STATE</b>				
A	MAN Mangaung	603 581	594 328	586 994
B	FS161 Letsemeng	50 185	49 845	47 031
B	FS162 Kopanong	82 502	78 397	70 209
B	FS163 Mohokare	52 966	54 825	53 784
B	FS171 Naledi	39 311	40 935	40 215
C	DC16 Xhariep District Municipality	27 876	30 784	31 295
<b>Total: Xhariep Municipalities</b>		<b>252 840</b>	<b>254 786</b>	<b>242 534</b>
B	FS181 Masilonyana	84 850	88 282	86 079
B	FS182 Tokologo	43 895	44 749	43 070
B	FS183 Tswelopele	62 071	62 467	58 962
B	FS184 Matjhabeng	416 018	401 882	376 369
B	FS185 Nala	126 199	120 751	108 164
C	DC18 Lejweleputswa District Municipality	104 747	110 512	112 236
<b>Total: Lejweleputswa Municipalities</b>		<b>837 780</b>	<b>828 643</b>	<b>784 880</b>
B	FS191 Setsoto	165 381	166 155	157 681
B	FS192 Dihlabeng	131 369	132 147	129 132
B	FS193 Nketoana	79 011	80 443	77 909
B	FS194 Maluti-a-Phofung	392 154	450 848	465 695
B	FS195 Phumelela	58 325	60 252	58 855
B	FS196 Mantsopa	67 921	69 105	66 730
C	DC19 Thabo Mofutsanyana District Municipality	86 946	97 079	98 845
<b>Total: Thabo Mofutsanyana Municipalities</b>		<b>981 107</b>	<b>1 056 029</b>	<b>1 054 847</b>
B	FS201 Moqhaka	167 294	169 819	165 644
B	FS203 Ngwathe	160 231	165 946	163 623
B	FS204 Metsimaholo	107 542	115 040	123 386
B	FS205 Mafube	76 678	78 521	76 194
C	DC20 Fezile Dabi District Municipality	137 551	140 157	142 149
<b>Total: Fezile Dabi Municipalities</b>		<b>649 296</b>	<b>669 483</b>	<b>670 996</b>
<b>Total: Free State Municipalities</b>		<b>3 324 604</b>	<b>3 403 269</b>	<b>3 340 251</b>

## SCHEDULE 3

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

Number			National Financial Year		
			Column A	Column B	
			2014/15 Allocation	Forward Estimates	
	2015/16	2016/17			
			R'000	R'000	R'000
<b>GAUTENG</b>					
A	EKU	Ekurhuleni	2 042 951	2 173 369	2 374 368
A	JHB	City of Johannesburg	2 534 723	2 846 914	3 186 449
A	TSH	City of Tshwane	1 375 518	1 642 734	1 877 110
B	GT421	Emfuleni	602 144	599 185	594 434
B	GT422	Midvaal	60 716	67 900	76 071
B	GT423	Lesedi	71 665	82 464	91 357
C	DC42	Sedibeng District Municipality	239 539	245 811	250 937
<b>Total: Sedibeng Municipalities</b>			<b>974 064</b>	<b>995 360</b>	<b>1 012 799</b>
B	GT481	Mogale City	238 641	257 793	285 003
B	GT482	Randfontein	100 395	103 247	106 247
B	GT483	Westonaria	113 718	126 795	135 725
B	GT484	Merafong City	175 979	167 895	158 179
C	DC48	West Rand District Municipality	178 344	184 922	189 029
<b>Total: West Rand Municipalities</b>			<b>807 077</b>	<b>840 652</b>	<b>874 183</b>
<b>Total: Gauteng Municipalities</b>			<b>7 734 333</b>	<b>8 499 029</b>	<b>9 324 909</b>



## SCHEDULE 3

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

Number		Municipality		National Financial Year		
				2014/15 Allocation	Column B	
					Forward Estimates	
		R'000	2015/16 R'000	2016/17 R'000		
<b>KWAZULU-NATAL</b>						
A	ETH	eThekweni	1 990 048	2 097 814	2 244 029	
B	KZN211	Vulamehlo	48 657	62 344	62 761	
B	KZN212	uMmdoni	43 638	60 153	63 794	
B	KZN213	Umzumbe	105 320	127 211	125 847	
B	KZN214	uMuziwabantu	59 072	75 863	77 049	
B	KZN215	Ezinqoleni	34 499	43 308	43 775	
B	KZN216	Hibiscus Coast	103 406	124 645	130 213	
C	DC21	Ugu District Municipality	319 564	361 255	394 223	
<b>Total: Ugu Municipalities</b>			<b>714 156</b>	<b>854 779</b>	<b>897 662</b>	
B	KZN221	uMshwathi	69 377	84 554	85 689	
B	KZN222	uMngeni	40 229	43 747	46 376	
B	KZN223	Mpofana	24 807	27 416	27 516	
B	KZN224	Impendle	28 057	32 796	32 722	
B	KZN225	Msunduzi	373 541	392 761	413 174	
B	KZN226	Mkhambathini	39 424	51 162	52 458	
B	KZN227	Richmond	41 243	53 925	55 874	
C	DC22	Umgungundlovu District Municipality	366 806	397 401	430 258	
<b>Total: Umgungundlovu Municipalities</b>			<b>983 484</b>	<b>1 083 762</b>	<b>1 144 067</b>	
B	KZN232	Emnambithi/Ladysmith	118 419	129 021	129 037	
B	KZN233	Indaka	67 255	75 582	74 021	
B	KZN234	Umtshezi	39 294	49 735	52 011	
B	KZN235	Okhahlamba	79 269	98 010	97 758	
B	KZN236	Imbabazane	73 871	84 625	82 895	
C	DC23	Uthukela District Municipality	286 962	305 091	324 220	
<b>Total: Uthukela Municipalities</b>			<b>665 070</b>	<b>742 064</b>	<b>759 942</b>	
B	KZN241	Endumeni	37 042	40 991	41 713	
B	KZN242	Nquthu	92 161	115 441	115 392	
B	KZN244	Msinga	100 755	133 749	136 793	
B	KZN245	Umvoti	62 571	84 593	88 553	
C	DC24	Umzinyathi District Municipality	213 364	239 080	259 675	
<b>Total: Umzinyathi Municipalities</b>			<b>505 893</b>	<b>613 854</b>	<b>642 126</b>	
B	KZN252	Newcastle	284 747	296 709	296 695	
B	KZN253	Emadlangeni	17 467	21 011	21 210	
B	KZ254	Dannhauser	60 118	74 058	73 979	
C	DC25	Amajuba District Municipality	112 385	120 708	128 382	
<b>Total: Amajuba Municipalities</b>			<b>474 717</b>	<b>512 486</b>	<b>520 266</b>	

## SCHEDULE 3

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

Number		Municipality		National Financial Year		
				Column A	Column B	
				2014/15 Allocation	Forward Estimates	
		R'000	2015/16 R'000	2016/17 R'000		
B	KZN261	eDumbe	46 398	57 334	57 569	
B	KZN262	uPhongolo	76 982	96 330	97 415	
B	KZN263	Abaqulusi	95 434	113 865	115 440	
B	KZN265	Nongoma	96 234	123 456	123 752	
B	KZN266	Ulundi	101 284	127 757	126 931	
C	DC26	Zululand District Municipality	297 420	321 220	343 697	
<b>Total: Zululand Municipalities</b>			<b>713 752</b>	<b>839 962</b>	<b>864 804</b>	
B	KZN271	Umhlabuyalingana	87 707	120 673	124 992	
B	KZN272	Jozini	103 677	136 083	138 265	
B	KZN273	The Big Five False Bay	22 485	30 910	32 405	
B	KZN274	Hlabisa	37 118	49 131	50 132	
B	KZN275	Mtubatuba	81 379	116 105	121 442	
C	DC27	Umkhanyakude District Municipality	226 251	263 765	290 128	
<b>Total: Umkhanyakude Municipalities</b>			<b>558 617</b>	<b>716 667</b>	<b>757 364</b>	
B	KZN281	Mfolozi	67 439	93 409	96 596	
B	KZN282	uMhlathuze	204 800	227 883	241 990	
B	KZN283	Ntambanana	30 881	42 192	42 364	
B	KZN284	uMlalazi	110 939	144 684	147 228	
B	KZN285	Mthonjaneni	31 674	38 660	38 773	
B	KZN286	Nkandla	65 977	82 543	82 178	
C	DC28	uThungulu District Municipality	382 129	409 286	442 161	
<b>Total: Uthungulu Municipalities</b>			<b>893 839</b>	<b>1 038 657</b>	<b>1 091 290</b>	
B	KZN291	Mandeni	90 414	118 527	122 464	
B	KZN292	KwaDukuza	87 677	103 813	112 289	
B	KZN293	Ndwedwe	82 803	109 350	110 993	
B	KZN294	Maphumulo	61 091	74 554	74 142	
C	DC29	iLembe District Municipality	290 468	336 439	372 497	
<b>Total: iLembe Municipalities</b>			<b>612 453</b>	<b>742 683</b>	<b>792 385</b>	
B	KZN431	Ingwe	66 031	82 678	83 187	
B	KZN432	Kwa Sani	13 627	15 136	15 086	
B	KZN433	Greater Kokstad	47 616	47 323	43 451	
B	KZN434	Ubuhlebezwe	66 977	85 018	85 758	
B	KZN435	Umzimkhulu	116 142	150 282	152 963	
C	DC43	Harry Gwala District Municipality	230 622	245 003	259 532	
<b>Total: Sisonke Municipalities</b>			<b>541 015</b>	<b>625 440</b>	<b>639 977</b>	
<b>Total: KwaZulu-Natal Municipalities</b>			<b>8 653 044</b>	<b>9 868 168</b>	<b>10 353 912</b>	

## SCHEDULE 3

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

Number		Municipality		National Financial Year		
				Column A	Column B	
				2014/15 Allocation	Forward Estimates	
		R'000	2015/16 R'000	2016/17 R'000		
<b>LIMPOPO</b>						
B	LIM331	Greater Giyani	173 816	221 802	225 314	
B	LIM332	Greater Letaba	167 589	208 754	210 859	
B	LIM333	Greater Tzaneen	235 717	288 119	294 096	
B	LIM334	Ba-Phalaborwa	83 256	107 603	111 219	
B	LIM335	Maruleng	71 904	92 648	94 652	
C	DC33	Mopani District Municipality	561 080	631 427	691 597	
<b>Total: Mopani Municipalities</b>			<b>1 293 362</b>	<b>1 550 353</b>	<b>1 627 737</b>	
B	LIM341	Musina	38 966	47 620	51 063	
B	LIM342	Mutale	64 971	88 793	92 164	
B	LIM343	Thulamela	338 467	432 118	443 807	
B	LIM344	Makhado	287 643	354 049	361 478	
C	DC34	Vhembe District Municipality	592 795	681 139	750 765	
<b>Total: Vhembe Municipalities</b>			<b>1 322 842</b>	<b>1 603 719</b>	<b>1 699 277</b>	
B	LIM351	Blouberg	117 073	147 530	148 949	
B	LIM352	Aganang	98 119	123 182	123 637	
B	LIM353	Molemole	89 014	106 570	106 230	
B	LIM354	Polokwane	455 799	520 607	567 041	
B	LIM355	Lepelle-Nkumpi	161 207	204 682	206 840	
C	DC35	Capricorn District Municipality	465 510	502 596	540 985	
<b>Total: Capricorn Municipalities</b>			<b>1 386 722</b>	<b>1 605 167</b>	<b>1 693 682</b>	
B	LIM361	Thabazimbi	60 733	59 864	59 030	
B	LIM362	Lephalale	86 865	91 578	94 719	
B	LIM364	Mookgopong	33 945	41 433	44 369	
B	LIM365	Modimolle	58 643	59 688	58 443	
B	LIM366	Bela-Bela	54 332	63 253	68 258	
B	LIM367	Mogalakwena	293 263	341 381	354 048	
C	DC36	Waterberg District Municipality	99 036	106 044	108 346	
<b>Total: Waterberg Municipalities</b>			<b>686 817</b>	<b>763 241</b>	<b>787 213</b>	
B	LIM471	Ephraim Mogale	91 614	118 427	121 678	
B	LIM472	Elias Motsoaledi	166 920	212 892	217 043	
B	LIM473	Makhuduthamaga	181 770	228 456	231 637	
B	LIM474	Fetakgomo	63 620	83 127	84 749	
B	LIM475	Greater Tubatse	182 650	245 662	257 340	
C	DC47	Sekhukhune District Municipality	467 284	546 156	607 356	
<b>Total: Sekhukhune Municipalities</b>			<b>1 153 858</b>	<b>1 434 720</b>	<b>1 519 803</b>	
<b>Total: Limpopo Municipalities</b>			<b>5 843 601</b>	<b>6 957 200</b>	<b>7 327 712</b>	

## SCHEDULE 3

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

Number		Municipality		National Financial Year		
				Column A	Column B	
				2014/15 Allocation	Forward Estimates	
		R'000	2015/16 R'000	2016/17 R'000		
<b>MPUMALANGA</b>						
B	MP301	Albert Luthuli	188 970	218 951	227 278	
B	MP302	Msukaligwa	114 917	121 213	126 032	
B	MP303	Mkhondo	127 313	152 821	163 039	
B	MP304	Pixley Ka Seme	87 956	91 163	89 202	
B	MP305	Lekwa	85 034	88 235	89 898	
B	MP306	Dipaleseng	48 618	52 488	53 841	
B	MP307	Govan Mbeki	193 583	194 291	196 440	
C	DC30	Gert Sibande District Municipality	265 947	270 998	275 685	
<b>Total: Gert Sibande Municipalities</b>			<b>1 112 338</b>	<b>1 190 160</b>	<b>1 221 415</b>	
B	MP311	Victor Khanye	59 142	67 153	72 430	
B	MP312	Emalahleni	207 754	228 158	255 184	
B	MP313	Steve Tshwete	103 556	119 110	136 097	
B	MP314	Emakhazeni	42 280	48 369	51 566	
B	MP315	Thembisile Hani	259 924	299 810	314 819	
B	MP316	Dr JS Moroka	270 810	314 851	322 068	
C	DC31	Nkangala District Municipality	318 017	326 271	333 698	
<b>Total: Nkangala Municipalities</b>			<b>1 261 483</b>	<b>1 403 722</b>	<b>1 485 862</b>	
B	MP321	Thaba Chweu	90 485	104 354	114 240	
B	MP322	Mbombela	388 663	460 158	502 938	
B	MP323	Umjindi	58 318	67 187	71 885	
B	MP324	Nkomazi	339 878	422 237	449 750	
B	MP325	Bushbuckridge	545 094	648 705	677 568	
C	DC32	Ehlanzeni District Municipality	199 678	217 562	223 374	
<b>Total: Ehlanzeni Municipalities</b>			<b>1 622 116</b>	<b>1 920 203</b>	<b>2 039 755</b>	
<b>Total: Mpumalanga Municipalities</b>			<b>3 995 937</b>	<b>4 514 085</b>	<b>4 747 032</b>	

## SCHEDULE 3

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

Number		Municipality		National Financial Year		
				Column A	Column B	
				2014/15 Allocation	Forward Estimates	
		R'000	2015/16 R'000	2016/17 R'000		
<b>NORTHERN CAPE</b>						
B	NC061	Richtersveld	12 817	13 385	13 420	
B	NC062	Nama Khoi	35 295	36 727	37 332	
B	NC064	Kamiesberg	15 154	17 646	18 209	
B	NC065	Hantam	20 566	20 616	20 102	
B	NC066	Karoo Hoogland	14 669	15 790	16 407	
B	NC067	Khâi-Ma	13 821	14 867	15 359	
C	DC6	Namakwa District Municipality	34 464	35 494	35 915	
<b>Total: Namakwa Municipalities</b>			<b>146 786</b>	<b>154 525</b>	<b>156 744</b>	
B	NC071	Ubuntu	21 614	25 201	26 282	
B	NC072	Umsobomvu	32 382	34 906	35 718	
B	NC073	Emthanjeni	35 342	35 873	35 040	
B	NC074	Kareeberg	15 096	17 995	18 867	
B	NC075	Renosterberg	16 521	18 176	18 589	
B	NC076	Thembelihle	16 735	18 656	19 200	
B	NC077	Siyathemba	22 445	24 197	24 931	
B	NC078	Siyancuma	38 021	39 510	38 827	
C	DC7	Pixley Ka Seme District Municipality	32 052	36 079	36 840	
<b>Total: Pixley Ka Seme Municipalities</b>			<b>230 208</b>	<b>250 593</b>	<b>254 294</b>	
B	NC081	Mier	12 321	14 570	14 920	
B	NC082	!Kai !Garib	50 293	52 018	52 758	
B	NC083	//Khara Hais	56 129	57 428	58 653	
B	NC084	!Kheis	17 963	19 681	20 037	
B	NC085	Tsantsabane	27 070	28 125	28 705	
B	NC086	Kgatelopele	16 094	17 071	17 660	
C	DC8	Z.F. Mgcawu District Municipality	47 645	50 930	51 978	
<b>Total: Siyanda Municipalities</b>			<b>227 515</b>	<b>239 823</b>	<b>244 711</b>	
B	NC091	Sol Plaatje	145 440	142 823	139 575	
B	NC092	Dikgatlong	51 671	58 109	59 739	
B	NC093	Magareng	32 090	34 771	35 020	
B	NC094	Phokwane	71 353	77 271	78 258	
C	DC9	Frances Baard District Municipality	97 428	103 853	110 545	
<b>Total: Frances Baard Municipalities</b>			<b>397 982</b>	<b>416 827</b>	<b>423 137</b>	
B	NC451	Joe Morolong	93 255	114 787	117 715	
B	NC452	Ga-Segonyana	86 992	109 209	117 469	
B	NC453	Gamagara	22 045	22 935	24 495	
C	DC45	John Taolo Gaetsewe District Municipality	61 385	64 952	66 861	
<b>Total: John Taolo Gaetsewe Municipalities</b>			<b>263 677</b>	<b>311 883</b>	<b>326 540</b>	
<b>Total: Northern Cape Municipalities</b>			<b>1 266 168</b>	<b>1 373 651</b>	<b>1 405 426</b>	

## SCHEDULE 3

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

Number		Municipality		National Financial Year		
				Column A	Column B	
				2014/15 Allocation	Forward Estimates	
		R'000	2015/16 R'000	2016/17 R'000		
<b>NORTH WEST</b>						
B	NW371	Moretele	209 553	261 158	270 496	
B	NW372	Madibeng	367 236	454 767	505 482	
B	NW373	Rustenburg	333 249	395 722	451 764	
B	NW374	Kgetlengrivier	50 398	57 411	60 960	
B	NW375	Moses Kotane	275 714	322 129	331 607	
C	DC37	Bojanala Platinum District Municipality	265 044	284 495	293 182	
<b>Total: Bojanala Platinum Municipalities</b>			<b>1 501 194</b>	<b>1 775 682</b>	<b>1 913 491</b>	
B	NW381	Ratlou	82 376	99 724	99 416	
B	NW382	Tswaing	74 220	86 125	86 259	
B	NW383	Mafikeng	144 793	173 208	176 132	
B	NW384	Ditsobotla	88 496	96 125	96 468	
B	NW385	Ramotshere Moiloa	102 166	127 202	128 480	
C	DC38	Ngaka Modiri Molema District Municipality	465 801	509 889	552 149	
<b>Total: Ngaka Modiri Molema Municipalities</b>			<b>957 852</b>	<b>1 092 273</b>	<b>1 138 904</b>	
B	NW392	Naledi	36 699	39 510	39 571	
B	NW393	Mamusa	37 162	43 136	43 690	
B	NW394	Greater Taung	134 670	171 845	172 852	
B	NW396	Lekwa-Teemane	32 710	37 370	38 013	
B	NW397	NW397	83 391	102 622	102 534	
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	223 475	260 964	284 932	
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>			<b>548 107</b>	<b>655 447</b>	<b>681 592</b>	
B	NW401	Ventersdorp	54 971	63 333	66 260	
B	NW402	Tlokwe	103 841	118 723	132 919	
B	NW403	City of Matlosana	339 136	338 618	333 386	
B	NW404	Maquassi Hills	85 790	91 784	92 680	
C	DC40	Dr Kenneth Kaunda District Municipality	160 481	165 730	169 399	
<b>Total: Dr Kenneth Kaunda Municipalities</b>			<b>744 219</b>	<b>778 188</b>	<b>794 644</b>	
<b>Total: North West Municipalities</b>			<b>3 751 372</b>	<b>4 301 590</b>	<b>4 528 631</b>	

## SCHEDULE 3

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

Number		Municipality		National Financial Year		
				2014/15 Allocation	Column B	
					Forward Estimates	
		R'000	2015/16 R'000	2016/17 R'000		
<b>WESTERN CAPE</b>						
A	CPT	City of Cape Town	1 497 082	1 796 324	2 025 823	
B	WC011	Matzikama	39 922	41 267	42 803	
B	WC012	Cederberg	30 797	34 098	36 597	
B	WC013	Bergrivier	27 489	30 412	33 422	
B	WC014	Saldanha Bay	46 415	55 108	62 237	
B	WC015	Swartland	43 093	55 490	64 375	
C	DC1	West Coast District Municipality	75 984	80 493	82 571	
<b>Total: West Coast Municipalities</b>			<b>263 700</b>	<b>296 868</b>	<b>322 005</b>	
B	WC022	Witzenberg	54 124	58 709	63 984	
B	WC023	Drakenstein	85 321	96 228	106 387	
B	WC024	Stellenbosch	65 606	84 237	97 061	
B	WC025	Breede Valley	74 231	81 182	88 420	
B	WC026	Langeberg	55 756	57 186	58 711	
C	DC2	Cape Winelands District Municipality	213 606	217 012	220 773	
<b>Total: Cape Winelands Municipalities</b>			<b>548 644</b>	<b>594 554</b>	<b>635 336</b>	
B	WC031	Theewaterskloof	62 481	68 141	73 247	
B	WC032	Overstrand	52 021	64 199	72 027	
B	WC033	Cape Agulhas	19 386	20 615	22 112	
B	WC034	Swellendam	20 938	21 855	22 812	
C	DC3	Overberg District Municipality	50 397	55 183	56 638	
<b>Total: Overberg Municipalities</b>			<b>205 223</b>	<b>229 993</b>	<b>246 836</b>	
B	WC041	Kannaland	21 140	22 375	22 556	
B	WC042	Hessequa	29 993	31 423	33 060	
B	WC043	Mossel Bay	54 705	63 321	69 721	
B	WC044	George	92 397	100 129	109 720	
B	WC045	Oudtshoorn	49 907	54 204	57 242	
B	WC047	Bitou	40 946	57 147	65 154	
B	WC048	Knysna	44 808	55 858	62 098	
C	DC4	Eden District Municipality	134 097	138 960	142 322	
<b>Total: Eden Municipalities</b>			<b>467 993</b>	<b>523 417</b>	<b>561 873</b>	
B	WC051	Laingsburg	10 908	12 115	12 450	
B	WC052	Prince Albert	13 047	15 326	16 168	
B	WC053	Beaufort West	38 990	44 066	46 339	
C	DC5	Central Karoo District Municipality	16 722	19 898	20 352	
<b>Total: Central Karoo Municipalities</b>			<b>79 667</b>	<b>91 405</b>	<b>95 309</b>	
<b>Total: Western Cape Municipalities</b>			<b>3 062 309</b>	<b>3 532 561</b>	<b>3 887 182</b>	
<b>National Total</b>			<b>44 490 145</b>	<b>50 207 698</b>	<b>52 868 706</b>	

## 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					
					2014/15 Allocation	Forward Estimates					
					R'000	R'000	R'000				
Agriculture, Forestry and Fisheries (Vote 26)	Comprehensive Agricultural Support Programme Grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land 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	228 810	233 323	233 975				
				Free State	146 531	140 760	141 792				
				Gauteng	60 816	60 720	72 890				
				KwaZulu-Natal	212 632	205 017	207 203				
				Limpopo	225 873	225 964	222 225				
				Mpumalanga	135 810	134 213	151 025				
				Northern Cape	378 390	396 381	436 166				
				North West	179 410	180 993	200 217				
				Western Cape	292 336	110 714	91 700				
				<b>TOTAL</b>	<b>1 860 608</b>	<b>1 688 085</b>	<b>1 757 193</b>				
				Basic Education (Vote 15)	(a) Education Infrastructure Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education; to enhance capacity to deliver infrastructure in education; to address damage to infrastructure caused by floods.	General conditional allocation to provinces	Eastern Cape	1 177 914	1 609 799	-
								Free State	554 313	757 553	-
								Gauteng	623 602	852 247	-
KwaZulu-Natal	1 385 781	1 893 881	-								
Limpopo	1 108 625	478 285	-								
Mpumalanga	623 602	852 247	-								
Northern Cape	346 445	359 545	-								
North West	623 602	852 247	-								
Western Cape	485 024	662 859	-								
Unallocated	-	1 150 745	10 037 961								
<b>TOTAL</b>	<b>6 928 908</b>	<b>9 469 408</b>	<b>10 037 961</b>								
(b) Occupational Specific Dispensation for Education Sector Therapists Grant	To augment the baseline compensation budget of the provincial education departments to enable them to comply with the Education Labour Relations Council Collective Agreement 1 of 2012.	General conditional allocation to provinces	Eastern Cape					6 571	2 067	-	
			Free State					18 358	5 775	-	
			Gauteng	93 599	29 442	-					
			KwaZulu-Natal	41 581	13 079	-					
			Limpopo	-	-	-					
			Mpumalanga	1 072	337	-					
			Northern Cape	7	2	-					
North West	1 417	446	-								
Western Cape	50 395	15 852	-								
<b>TOTAL</b>	<b>213 000</b>	<b>67 000</b>	<b>-</b>								



## 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	
					2014/15 Allocation	Forward Estimates	
					R'000	2015/16	2016/17
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	199 874	209 068	220 149
				Free State	146 419	153 154	161 271
				Gauteng	811 114	848 425	893 391
				KwaZulu-Natal	292 837	306 308	322 542
				Limpopo	116 206	121 552	127 994
				Mpumalanga	95 288	99 671	104 954
				Northern Cape	76 697	80 225	84 477
				North West	104 586	109 397	115 195
				Western Cape	478 767	500 790	527 332
				<b>TOTAL</b>	<b>2 321 788</b>	<b>2 428 590</b>	<b>2 557 305</b>
	(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	786 007	822 163	865 738
				Free State	898 091	939 403	989 191
				Gauteng	3 493 891	3 654 610	3 848 304
				KwaZulu-Natal	1 496 427	1 565 263	1 648 222
				Limpopo	323 158	338 024	355 939
				Mpumalanga	97 116	101 584	106 968
				Northern Cape	298 727	312 468	329 029
				North West	237 264	248 178	261 331
				Western Cape	2 537 554	2 654 281	2 794 958
				<b>TOTAL</b>	<b>10 168 235</b>	<b>10 635 974</b>	<b>11 199 680</b>
Higher Education and Training (Vote 17)	Further Education and Training Colleges Grant	To ensure the successful transfer of the Further Education and Training college function to the Department of Higher Education and Training.	General conditional allocation to provinces	Eastern Cape	319 517	342 251	361 123
				Free State	185 111	198 284	209 218
				Gauteng	725 809	777 452	820 320
				KwaZulu-Natal	351 475	376 483	397 242
				Limpopo	404 504	433 285	457 176
				Mpumalanga	140 989	151 021	159 348
				Northern Cape	43 652	46 758	49 336
				North West	82 376	88 237	93 102
Western Cape	377 913	404 802	427 123				
<b>TOTAL</b>	<b>2 631 346</b>	<b>2 818 573</b>	<b>2 973 988</b>				

## 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	
					2014/15 Allocation	R'000	Forward Estimates 2015/16	Forward Estimates 2016/17
Transport (Vote 37)	(a) Provincial Roads Maintenance Grant	To supplement provincial investments for preventative, routine and emergency maintenance and road rehabilitation of provincial road networks; ensure all roads are classified as per Roads 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 networks serving electricity generation infrastructure; to construct rural pedestrian access bridges.	General conditional allocation to provinces	Eastern Cape Free State Gauteng KwaZulu-Natal Limpopo Mpumalanga Northern Cape North West Western Cape	R'000 1 294 279 1 025 682 514 903 1 788 158 1 127 310 1 594 840 640 472 686 761 690 005 685 849	R'000 1 150 887 1 331 043 490 172 1 986 750 1 067 642 1 722 601 686 761 766 560 749 854	R'000 1 162 677 1 401 588 516 152 2 086 663 1 109 350 1 752 828 723 159 807 188 732 333	
	(b) Public Transport Operations Grant	To provide supplementary funding towards public transport services provided by provincial departments of transport.	Nationally assigned function to provinces	Eastern Cape Free State Gauteng KwaZulu-Natal Limpopo Mpumalanga Northern Cape North West Western Cape	R'000 195 282 215 900 1 819 854 904 783 291 852 491 418 43 937 90 318 779 365	R'000 204 172 225 729 1 902 701 945 972 305 138 513 789 45 937 94 430 814 846	R'000 214 888 237 576 2 002 538 995 610 321 152 540 751 48 350 99 389 857 604	
				<b>TOTAL</b>	<b>9 361 498</b>	<b>9 952 270</b>	<b>10 291 938</b>	
				<b>TOTAL</b>	<b>4 832 709</b>	<b>5 052 714</b>	<b>5 317 858</b>	

**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	
				2014/15 Allocation	2015/16	Forward Estimates	2016/17
<b>Human Settlements (Vote 31)</b>	Urban Settlements Development Grant	Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households.	Buffalo City	R'000 673 289	R'000 700 458	R'000 743 775	
			City of Cape Town	1 358 879	1 406 883	1 481 448	
			City of Johannesburg	1 695 189	1 755 074	1 848 093	
			City of Tshwane	1 469 450	1 521 361	1 601 993	
			Ekurhuleni	1 804 532	1 868 279	1 967 298	
			eThekweni	1 800 076	1 863 667	1 962 441	
			Mangaung	654 406	680 907	723 188	
			Nelson Mandela Bay	828 863	858 144	903 625	
			<b>TOTAL</b>	<b>10 284 684</b>	<b>10 654 773</b>	<b>11 231 861</b>	
			<b>National Treasury (Vote 10)</b>	Integrated City Development Grant	To provide a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.	Buffalo City	-
City of Cape Town	57 171	-				-	
City of Johannesburg	50 497	-				-	
City of Tshwane	44 659	-				-	
Ekurhuleni	40 323	-				-	
eThekweni	52 621	-				-	
Mangaung	5 596	-				-	
Nelson Mandela Bay	4 133	-				-	
Unallocated	-	266 000				292 950	
<b>TOTAL</b>	<b>255 000</b>	<b>266 000</b>				<b>292 950</b>	

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2014/15 Allocation	R'000	2015/16	Forward Estimates
<b>Agriculture, Forestry and Fisheries (Vote 26)</b>	(a) Ilima/Letsema Projects Grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production.	Conditional allocation	Eastern Cape	46 062	47 700	58 853	
				Free State	60 802	62 877	60 882	
				Gauteng	20 126	24 234	35 515	
				KwaZulu-Natal	69 093	71 549	65 956	
				Limpopo	46 062	47 940	58 345	
				Mpumalanga	46 062	47 702	55 809	
				Northern Cape	72 003	75 500	76 103	
				North West	46 062	47 940	55 301	
				Western Cape	54 353	56 372	40 586	
				<b>TOTAL</b>	<b>460 625</b>	<b>481 814</b>	<b>507 350</b>	
	(b) Land Care Programme Grant: Poverty Relief and Infrastructure Development	To promote sustainable use and management of natural resources by engaging in the initiatives that supports the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all.	Conditional allocation	Eastern Cape	10 853	10 867	11 405	
				Free State	5 427	5 476	5 744	
				Gauteng	4 748	4 801	5 036	
				KwaZulu-Natal	10 854	10 867	11 407	
				Limpopo	10 178	10 201	10 706	
				Mpumalanga	6 105	6 149	6 451	
				Northern Cape	7 462	7 498	7 867	
				North West	8 140	8 171	8 574	
				Western Cape	4 070	4 128	4 329	
				<b>TOTAL</b>	<b>67 837</b>	<b>68 158</b>	<b>71 519</b>	
<b>Arts and Culture (Vote 14)</b>	Community Library Services Grant	To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives.	Conditional allocation	Eastern Cape	109 418	145 694	154 431	
				Free State	119 013	155 776	155 869	
				Gauteng	125 608	162 693	172 450	
				KwaZulu-Natal	122 754	159 696	169 273	
				Limpopo	81 010	112 156	118 887	
				Mpumalanga	114 781	151 325	160 400	
				Northern Cape	118 396	155 121	164 424	
				North West	98 883	134 632	142 605	
				Western Cape	126 347	163 469	173 273	
				<b>TOTAL</b>	<b>1 016 210</b>	<b>1 340 562</b>	<b>1 411 612</b>	

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B				
					2014/15 Allocation	Forward Estimates	2016/17			
					R'000	R'000	R'000			
Basic Education (Vote 15)	(a) Dinaledi Schools Grant	To improve the quality of learner performance in Mathematics, Physical Sciences, Life Sciences and English First Additional Language, in line with the Action Plan to 2014 and the National Development Plan; to improve the content knowledge, pedagogies and didactic skills of Mathematics, Physical Sciences and Life Sciences teachers.	Conditional allocation	Eastern Cape	13 342	13 956	14 695			
				Free State	8 006	8 374	8 818			
				Gauteng	22 458	23 491	24 736			
				KwaZulu-Natal	19 568	20 468	21 553			
				Limpopo	11 340	11 862	12 490			
				Mpumalanga	10 228	10 698	11 266			
				Northern Cape	3 782	3 956	4 166			
				North West	11 785	12 327	12 980			
				Western Cape	10 673	11 164	11 756			
				<b>TOTAL</b>	<b>111 182</b>	<b>116 296</b>	<b>122 460</b>			
				(b) HIV and AIDS (Life Skills Education) Grant	To support South Africa's HIV prevention strategy by increasing sexual and reproductive health knowledge, skills and appropriate decision making among learners and educators; to mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators; to ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment/abuse; to reduce the vulnerability of children to HIV, TB and sexually transmitted infections, with a particular focus on orphaned and vulnerable children.	Conditional allocation	Eastern Cape	37 023	37 753	40 530
							Free State	11 570	11 129	13 906
	Gauteng	30 195	30 611				33 388			
KwaZulu-Natal	52 261	51 255	54 035							
Limpopo	31 085	31 542	34 249							
Mpumalanga	19 404	20 297	19 737							
Northern Cape	5 059	5 281	5 281							
North West	17 388	18 198	17 568							
Western Cape	17 077	20 297	19 666							
<b>TOTAL</b>	<b>221 062</b>	<b>226 363</b>	<b>238 360</b>							
(c) National School Nutrition Programme Grant	To provide nutritious meals to targeted learners.	Conditional allocation	Eastern Cape	984 548	1 020 116	1 074 182				
			Free State	299 205	317 157	333 966				
			Gauteng	640 541	678 974	714 960				
			KwaZulu-Natal	1 237 534	1 287 034	1 355 247				
			Limpopo	991 153	1 030 799	1 085 431				
			Mpumalanga	524 913	545 910	574 843				
			Northern Cape	134 645	142 724	150 289				
North West	366 890	381 566	401 789							
Western Cape	282 486	299 435	315 305							
<b>TOTAL</b>	<b>5 461 915</b>	<b>5 703 715</b>	<b>6 006 012</b>							

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2014/15 Allocation	R'000	2015/16	R'000
<b>Basic Education (Vote 15)</b>	(d) Technical Secondary Schools Recapitalisation Grant	To recapitalise technical schools to improve their capacity to contribute to skills development and training in the country.	Conditional allocation	Eastern Cape	32 928	34 541	36 372	
				Free State	22 219	23 309	24 544	
				Gauteng	27 958	28 627	30 144	
				KwaZulu-Natal	45 280	47 499	50 017	
				Limpopo	29 859	31 322	32 982	
				Mpumalanga	28 682	30 087	31 682	
				Northern Cape	13 978	14 663	15 440	
				North West	19 981	20 960	22 071	
				Western Cape	12 597	13 214	13 914	
				<b>TOTAL</b>	<b>233 482</b>	<b>244 222</b>	<b>257 166</b>	
<b>Health (Vote 16)</b>	(a) Comprehensive HIV and AIDS Grant	To enable the health sector to develop an effective response to HIV and AIDS including universal access to HIV counselling and testing; to support the implementation of the National Operational Plan for comprehensive HIV and AIDS treatment and care; to subsidise in-part funding for the antiretroviral treatment programme.	Conditional allocation	Eastern Cape	1 449 237	1 602 290	1 802 013	
				Free State	843 026	926 533	1 042 024	
				Gauteng	2 632 578	2 975 139	3 345 986	
				KwaZulu-Natal	3 257 992	3 874 085	4 356 983	
				Limpopo	978 132	1 073 882	1 207 740	
				Mpumalanga	818 836	942 045	1 059 469	
				Northern Cape	342 789	377 191	424 207	
				North West	936 938	1 029 187	1 157 473	
				Western Cape	1 051 794	1 156 691	1 300 870	
				<b>TOTAL</b>	<b>12 311 322</b>	<b>13 957 043</b>	<b>15 696 765</b>	
	(b) Health Facility Revitalisation Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including: health technology, organisational design systems and quality assurance; to supplement expenditure on health infrastructure delivered through public-private partnerships; to enhance capacity to deliver health infrastructure.	Conditional allocation	Eastern Cape	599 231	442 930	-	
				Free State	448 962	554 950	-	
				Gauteng	671 033	303 630	-	
				KwaZulu-Natal	1 162 469	1 090 431	-	
				Limpopo	467 442	184 255	-	
				Mpumalanga	343 509	277 942	-	
				Northern Cape	421 428	446 407	-	
				North West	486 121	558 721	-	
				Western Cape	639 786	645 200	-	
				Unallocated	-	884 324	5 652 280	
<b>TOTAL</b>	<b>5 239 981</b>	<b>5 388 790</b>	<b>5 652 280</b>					

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2014/15 Allocation	Forward Estimates 2015/16	2016/17
<b>Health (Vote 16)</b>	(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	R'000	R'000	R'000
				Free State	7 000	7 397	7 789
				Gauteng	7 000	7 397	7 789
				KwaZulu-Natal	14 000	14 793	15 577
				Limpopo	7 000	7 397	7 789
				Mpumalanga	7 000	7 397	7 789
				Northern Cape	7 000	7 397	7 789
				North West	7 000	7 396	7 788
				Western Cape	7 000	7 396	7 788
				<b>TOTAL</b>	<b>70 000</b>	<b>73 967</b>	<b>77 887</b>
<b>Human Settlements (Vote 31)</b>	Human Settlements Development Grant	To provide funding for the creation of sustainable human settlements.	Conditional allocation	Eastern Cape	2 159 218	1 929 157	2 147 265
				Free State	1 061 756	1 131 794	1 252 868
				Gauteng	4 417 641	5 065 766	5 631 437
				KwaZulu-Natal	3 273 045	3 313 983	3 547 298
				Limpopo	1 219 115	1 201 733	1 329 147
				Mpumalanga	1 146 690	1 316 401	1 450 045
				Northern Cape	374 832	376 006	416 487
				North West	1 517 136	2 153 545	2 363 612
				Western Cape	1 914 936	2 044 191	2 271 408
				<b>TOTAL</b>	<b>17 084 369</b>	<b>18 532 576</b>	<b>20 409 567</b>
<b>Public Works (Vote 7)</b>	(a) Expanded Public Works Programme Integrated Grant for Provinces	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the 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	69 544	-	-
				Free State	26 601	-	-
				Gauteng	23 565	-	-
				KwaZulu-Natal	97 945	-	-
				Limpopo	32 247	-	-
				Mpumalanga	39 928	-	-
				Northern Cape	20 348	-	-
				North West	14 249	-	-
				Western Cape	24 520	-	-
				Unallocated	-	356 574	411 798
<b>TOTAL</b>	<b>348 947</b>	<b>356 574</b>	<b>411 798</b>				

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2014/15 Allocation	Forward Estimates	2016/17
					R'000	R'000	R'000
<b>Public Works (Vote 7)</b>	(b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces	To incentivise provincial social sector departments identified in the 2013 Social Sector Expanded Public Works Programme log-frame to increase job creation by focusing on the strengthening and expansion of social service programmes that have employment potential.	Conditional allocation	Eastern Cape	41 714	-	-
				Free State	11 700	-	-
				Gauteng	73 338	-	-
				KwaZulu-Natal	19 544	-	-
				Limpopo	18 632	-	-
				Mpumalanga	18 844	-	-
				Northern Cape	22 018	-	-
				North West	26 306	-	-
				Western Cape	25 876	-	-
				Unallocated	-	267 529	374 662
<b>TOTAL</b>	<b>257 972</b>	<b>267 529</b>	<b>374 662</b>				
<b>Social Development (Vote 19)</b>	Substance Abuse Treatment Grant	To provide funding for the construction of public substance dependency treatment facilities in the provinces of Eastern Cape, Free State, Northern Cape and North West.	Conditional allocation	Eastern Cape	13 000	9 000	-
				Free State	2 000	6 500	29 500
				Gauteng	-	-	-
				KwaZulu-Natal	-	-	-
				Limpopo	-	-	-
				Mpumalanga	-	-	-
				Northern Cape	2 000	22 000	18 000
				North West	12 000	10 000	-
				Western Cape	-	-	-
				<b>TOTAL</b>	<b>29 000</b>	<b>47 500</b>	<b>47 500</b>
<b>Sport and Recreation South Africa (Vote 20)</b>	Mass Participation and Sport Development Grant	To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders.	Conditional allocation	Eastern Cape	64 895	67 815	71 206
				Free State	40 318	42 133	44 240
				Gauteng	94 915	99 186	104 145
				KwaZulu-Natal	85 435	89 280	93 744
				Limpopo	59 446	62 121	65 227
				Mpumalanga	46 959	49 072	51 526
				Northern Cape	31 450	33 391	36 709
				North West	43 503	45 460	47 734
				Western Cape	58 711	61 353	64 420
				<b>TOTAL</b>	<b>525 632</b>	<b>549 811</b>	<b>578 951</b>



**SCHEDULE 5, PART B**  
**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**

Vote	Name of allocation	Purpose	Column A	Column B	
			2014/15 Allocation	Forward Estimates	2016/17
			R'000	R'000	R'000
<b>RECURRENT GRANTS</b>					
<b>Cooperative Governance and Traditional Affairs (Vote 3)</b>	Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislations.	252 152	261 060	274 896
<b>Energy (Vote 29)</b>	Energy Efficiency and Demand Side Management Grant	To provide subsidies to municipalities to implement Energy Efficiency and Demand Side Management initiatives within municipal infrastructure, in order to reduce electricity consumption and improve energy efficiency.	136 905	188 305	203 815
<b>Human Settlements (Vote 31)</b>	Municipal Human Settlements Capacity Grant	To build capacity in municipalities to deliver and subsidise the operational costs of administering human settlements programmes.	300 000	300 000	300 000
<b>National Treasury (Vote 10)</b>	(a) Infrastructure Skills Development Grant	To recruit unemployed graduates in municipalities to be trained as per the requirements of the relevant Statutory Council/professional body within the built environment.	104 425	129 226	138 725
	(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.	449 138	469 799	494 698
<b>Public Works (Vote 7)</b>	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.	594 575	618 966	705 997
<b>Transport (Vote 37)</b>	Public Transport Network Operations Grant	To provide operational funding to support the planning, regulation, control and management of municipal public transport networks and services.	902 817	1 043 024	1 362 321
<b>Water Affairs (Vote 38)</b>	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 Affairs or by other agencies on behalf of the department.	449 558	470 239	495 162
			<b>3 189 570</b>	<b>3 480 619</b>	<b>3 975 614</b>

**SCHEDULE 5, PART B**  
**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**

Vote	Name of allocation	Purpose	Column A	Column B	
			2014/15 Allocation	Forward Estimates	2016/17
			R'000	R'000	R'000
<b>INFRASTRUCTURE GRANTS</b>					
<b>Cooperative Governance and Traditional Affairs (Vote 3)</b>	a) Municipal Disaster Recovery Grant	To rehabilitate and reconstruct disaster damaged municipal infrastructure.	37 302	21 805	-
	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.	14 683 835	15 098 070	15 766 819
<b>Energy (Vote 29)</b>	Integrated National Electrification Programme (Municipal) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure.	1 104 658	2 056 090	2 165 063
<b>Human Settlements (Vote 31)</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.	47 624	51 000	124 599
<b>National Treasury (Vote 10)</b>	Neighbourhood Development Partnership Grant	To support and facilitate the development of urban network plans that consist of primary and secondary networks that interconnect at strategic nodes, which in townships are referred to as urban hubs; urban network plans, precinct plans and then all projects aim to guide the delivery of catalytic infrastructure to leverage third party public and private sector development in the urban hubs; the aim of targeting investment in these strategic locations, as identified by urban network plans, is to improve the quality of life and access of residents in under-served neighbourhoods, generally within townships.	591 179	600 000	631 800
<b>Transport (Vote 37)</b>	(a) Public Transport Infrastructure Grant	To provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.	4 968 029	5 097 881	5 104 052
	(b) Rural Roads Asset Management Systems Grant	To assist rural district municipalities to set up rural Road Asset Management Systems, and collect road and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa.	75 223	97 763	102 944
<b>Water Affairs (Vote 38)</b>	Municipal Water Infrastructure Grant	To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a water supply service.	534 150	1 380 205	1 302 002
<b>TOTAL</b>			<b>22 042 000</b>	<b>24 402 814</b>	<b>25 197 279</b>

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

Vote	Name of allocation	Purpose	Column A		Column B	
			2014/15 Allocation	Forward Estimates	2015/16	2016/17
<b>Basic Education (Vote 15)</b>	School Infrastructure Backlogs Grant	Eradication of entire inappropriate school infrastructure; provision of water, sanitation and electricity to schools.	R'000 2 938 503	R'000 2 433 310	R'000 2 610 662	
<b>Health (Vote 16)</b>	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.	1 574 862	1 634 973	1 515 980	
<b>Human Settlements (Vote 31)</b>	Human Settlements Development Grant	To provide funding for the creation of sustainable human settlements.	899 177	975 399	-	
<b>TOTAL</b>			<b>5 412 542</b>	<b>5 043 682</b>	<b>4 126 642</b>	

**SCHEDULE 6, PART B**

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

Vote	Name of allocation	Purpose	Column A	Column B	
			2014/15 Allocation	Forward Estimates	
			R'000	2015/16	2016/17
			R'000	R'000	R'000
<b>Cooperative Governance and Traditional Affairs (Vote 3)</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.	-	-	-
	Integrated National Electrification Programme (Eskom) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply.	2 948 037	3 680 043	3 875 085
<b>Human Settlements (Vote 31)</b>	(a) 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.	-	-	-
	(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.	65 500	67 328	-
<b>National Treasury (Vote 10)</b>	Neighbourhood Development Partnership Grant	To support and facilitate the development of urban network plans that consist of primary and secondary networks that interconnect at strategic nodes, which in townships are referred to as urban hubs; urban network plans, precinct plans and then all projects aim to guide the delivery of catalytic infrastructure to leverage third party public and private sector development in the urban hubs; the aim of targeting investment in these strategic locations, as identified by urban network plans, is to improve the quality of life and access of residents in under-served neighbourhoods, generally within townships.	58 300	55 000	52 000
	(a) 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 Affairs or by other agencies on behalf of the department.	142 013	151 185	159 199
<b>Water Affairs (Vote 38)</b>	(b) Regional Bulk Infrastructure Grant	To develop new and 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 and refurbish, upgrade and replace ageing waste water infrastructure of regional significance.	3 986 896	4 221 654	4 623 602
	(c) 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.	524 826	1 291 729	1 511 545
	<b>TOTAL</b>		<b>7 725 572</b>	<b>9 466 939</b>	<b>10 221 431</b>

**SCHEDULE 7, PART A**  
**UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE**

Vote	Name of allocation	Purpose	Column A		Column B	
			2014/15 Allocation	Forward Estimates	2015/16	2016/17
Cooperative Governance and Traditional Affairs (Vote 3)	Provincial Disaster Grant	To provide for the immediate release of funds for disaster response.	R'000 197 372		R'000 204 344	R'000 215 174
		<b>TOTAL</b>	<b>197 372</b>		<b>204 344</b>	<b>215 174</b>

**SCHEDULE 7 PART B**  
**UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE**

Vote	Name of allocation	Purpose	Column A		Column B	
			2014/15 Allocation	Forward Estimates	2015/16	2016/17
Cooperative Governance and Traditional Affairs (Vote 3)	Municipal Disaster Grant	To provide for the immediate release of funds for disaster response.	R'000 363 580		R'000 376 424	R'000 396 374
		<b>TOTAL</b>	<b>363 580</b>		<b>376 424</b>	<b>396 374</b>

## MEMORANDUM ON THE OBJECTS OF THE DIVISION OF REVENUE BILL, 2014

### 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 grant allocations to provinces and local government as contained in the Medium Term Budget Policy Statement. The report must explain how the Bill and the national budget give effect to, or the reasons for not taking into account, the recommendations contained in the Committee reports.
- 1.5 The memorandum referred to in paragraph 1.3 is attached to this Memorandum and will also be attached as “Annexure W1” to the Budget Review, and the report referred to in paragraph 1.4 will be tabled with the budget.
- 1.6 The Bill is introduced in compliance with the Constitution, the Intergovernmental Fiscal Relations Act, 1997, and the Money Bills Amendment Procedure and Related Matters Act, 2009, as set out in paragraphs 1.1 to 1.4.
- 1.7 The allocations contemplated in section 214(1) of the Constitution are set out in the following Schedules to the Bill:
  - *Schedule 1* contains the equitable shares of the three spheres of government;
  - *Schedule 2* sets out provincial equitable share allocations;
  - *Schedule 3* sets out local government equitable share allocations per municipality;

- *Schedules 4 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

### 2.1 The following is a brief summary of the Bill:

- **Clause 1** contains definitions;
- **Clause 2** sets out the objects of the Bill, which is to provide for the equitable division of revenue raised nationally among the three spheres, conditional allocations to provinces and municipalities from national government's share of the revenue and to promote predictability and certainty in respect of allocations to provinces and municipalities as well as transparency and accountability in the resource allocation process;
- **Clause 3** provides for the equitable division of anticipated revenue raised nationally among the national, provincial and local spheres of government, which is set out in Schedule 1;
- **Clause 4** provides for each province's equitable share, which is set out in Schedule 2, and that it must be transferred in terms of a payment schedule;
- **Clause 5** provides for each municipality's equitable share of revenue, which is set out in Schedule 3 and that it must be transferred in terms of a payment schedule;
- **Clause 6** determines what must happen if actual revenue raised falls short or is in excess of anticipated revenue for the financial year, and allows for additional conditional and unconditional allocations from the national government's portion of the equitable share or excess revenue;
- **Clause 7** provides for conditional allocations to provinces in Part A of Schedules 4 to 7;
- **Clause 8** provides for conditional allocations to municipalities in Part B of Schedules 4 to 7;
- **Clauses 9 and 10** set out the duties of a transferring national officer in respect of Schedules 4 to 6 allocations;
- **Clauses 11 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 2014/15;
- **Clause 16** requires the publication of certain allocations and all conditional grant 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 funded by the Human Settlements Development Grant or Public Transport Operations Grant 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 grants in order to prevent under-spending or improve service delivery in respect of the grant if the affected national or provincial department has demonstrated the capacity to implement the applicable 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** provide for preparations for the 2015/16 and 2016/17 financial years;

- *Clause 28* deals with transfers before the commencement of the Division of Revenue Act for 2015/16 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 38* provide for general treasury matters such as allocations by public entities to provinces or municipalities, liability for costs incurred in violation of principles of co-operative governance and intergovernmental relations, irregular expenditure, financial misconduct, delegations and assignments, exemptions and the power to make regulations;
- *Clauses 39 to 40* provide for the repeal of laws and the short title and commencement.

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

3.1 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 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 2014 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 2014 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 2014 division of revenue.
- Part 3 sets out how the FFC's recommendations on the 2014 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 (Budget Council plus SALGA). An extended Cabinet meeting involving ministers, provincial premiers and the SALGA chairperson was held on 4 October 2013. The division of revenue, and the government priorities that underpin it, was agreed for the next three years.

## ■ Part 1: Constitutional considerations

Section 214 of the Constitution requires that the annual Division of Revenue Act be enacted only after factors in sub-sections (2)(a) to (j) of the Constitution are taken into account. These include national interest, debt provision, the needs of national government and emergencies, resource allocation for basic services and developmental needs, 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 those governance goals that benefit the nation as a whole. The National Development Plan, endorsed by Cabinet in November 2012, sets out a long-term vision for the country's development. This is complemented by the strategic integrated projects overseen by the Presidential Infrastructure Coordinating Council and the 12 priority outcomes adopted by Cabinet in 2010. In the 2013 *Medium Term Budget Policy Statement*, the Minister of Finance outlined how the resources available to government over the 2014 medium-term expenditure framework (MTEF) would be allocated to help achieve these goals. Chapter 4 of the 2013 *Medium Term Budget Policy Statement* and Chapter 7 of the 2014 *Budget Review* provide a detailed analysis of how funds have been allocated 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 12 priority outcomes.

### **Provision for debt costs**

The resources shared between national, provincial and local government include proceeds from national government borrowing used to fund 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 5 of the 2014 *Budget Review*.

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

The Constitution assigns exclusive and concurrent powers and functions to each sphere of government. National government is exclusively responsible for functions that serve the national interest and are best centralised. National and provincial government have concurrent responsibility for a range of functions. Provincial and local government receive equitable shares and conditional grants to enable them to provide basic services and perform their functions. Changes have been made to 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 key service delivery functions such as education, health, social development, housing, roads, and provision of electricity, water and municipal infrastructure. They have significant autonomy to allocate resources to meet basic needs and respond to provincial and local priorities, while giving effect to national objectives. The division of revenue provides equitable shares to provinces and local government. This year's division of revenue allocates additional resources to provinces to provide for the carry-through effects of public-sector wage increases due to higher-than-anticipated inflation. Funds are also added to the provincial fiscal framework to construct facilities for the treatment of substance abuse, roll out a new vaccine for the human papillomavirus, accelerate housing programmes in mining towns and repair infrastructure damaged by floods. 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. In the 2014 division of revenue, additional resources have been made available to accelerate the rollout of bulk water and sanitation infrastructure, build capacity for cities to manage the development of human settlements, and to incentivise the planning and development of more integrated and efficient urban spaces.

### **Fiscal capacity and efficiency**

National government has primary revenue-raising powers. Provinces have limited revenue-raising capacity and the resources required to deliver provincial functions do not lend themselves to self-funding or cost recovery. Municipalities finance most of their expenditure through property rates, user charges and fees. However, rural municipalities raise significantly less revenue than larger urban and metropolitan municipalities. Due to their limited revenue-raising potential and their responsibility to implement government priorities, provinces receive a larger share of nationally raised revenue than local government. Local government's portion has significantly increased over the last few years and will continue to grow over the medium term. The mechanisms for allocating funds to provinces and municipalities are continuously reviewed to improve their efficiency. The provincial equitable share formula was reviewed in 2010 and the recommendations were implemented in 2011. In 2013, the formula was updated with 2011 Census data, reflecting significant changes in the distribution of demand for services between provinces. 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. A review of the local government equitable share was completed during 2012 and a new formula is being phased in from 2013/14 to 2017/18 (details of the formula are provided in part 5 of this annexure).

### **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 for dividing national transfers among municipalities and provinces. Developmental needs are encapsulated in the equitable share formulas for provincial and local government and in specific conditional grants. In particular, various infrastructure grants and growing capital budgets aim to boost the economic and social development of provinces and municipalities.

### **Economic disparities**

The equitable share and infrastructure grant formulas are redistributive towards poorer provinces and municipalities. Government is investing 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 2014 MTEF and division of revenue provide additional funding for higher-than-anticipated wage costs, increases in the cost of provincial bus services, and to accelerate the provision of housing, water and sanitation. These allocations are in addition to obligations funded through existing provincial and local government baseline allocations.

### **Predictability and stability**

Provincial and local government equitable share allocations are based on estimates of nationally raised revenue. If 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 2014 division of revenue**

Expenditure in the 2014 MTEF will remain within the bounds set out in the 2013 Budget. National and provincial departments implemented savings measures and reprioritised spending to make additional resources available to fund government priorities in the 2014 Budget.

Excluding debt-service costs and the contingency reserve, allocated expenditure shared between the three spheres amounts to R1.1 trillion, R1.2 trillion and R1.3 trillion over each of the MTEF years. These allocations take into account government's spending priorities, the revenue-raising capacity and responsibilities of each sphere, and input from various intergovernmental forums and the FFC. The provincial and local equitable share formulas are designed to ensure fair, stable and predictable revenue shares, and to address economic and fiscal disparities.

### **Government's policy priorities for the 2014 MTEF**

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

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

- Subsidise the carry-through costs of higher-than-projected inflation on wage agreements
- Construct facilities for the treatment of substance abuse
- Roll out a new vaccine for the human papillomavirus
- Accelerate housing programmes in mining towns
- Repair infrastructure damaged by floods

- Cover the increased costs of provincial bus services.

Local government allocations receive additional funds to:

- Accelerate the provision of bulk water and sanitation
- Promote more integrated and efficient cities
- Build capacity for the development of human settlements.

Funding for the eradication of bucket sanitation has been prioritised within existing allocations to municipalities and a new indirect component of the *human settlements development grant* to provinces will also fund this priority.

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

**Table W1.1 2014 Budget priorities – additional MTEF allocations, 2014/15 – 2016/17**

R million	2014/15	2015/16	2016/17	Total
<b>Provincial departments:</b> Compensation of employees cost pressures	2 738	4 347	4 964	12 049
<b>National departments:</b> Compensation of employees cost pressures	1 317	1 798	2 199	5 314
<b>Defence and Military Veterans:</b> Improving operational capability of South African Air Force	342	387	555	1 284
<b>Transport:</b> Procurement of railway rolling stock	348	338	410	1 096
<b>Cooperative Governance and Traditional Affairs:</b> Community Work Programme	–	–	1 072	1 072
<b>Human Settlements:</b> Municipal human settlements capacity grant	300	300	300	900
<b>Water Affairs:</b> Regional bulk infrastructure grant, to accelerate the delivery of bulk water and sanitation	–	350	500	850
<b>Justice and Constitutional Development:</b> Increased accommodation costs	200	210	310	720
<b>Communications:</b> Provision of set-top boxes, antennae and installation in 5 million households	–	300	400	700
<b>Water Affairs:</b> Construction of Umzimvubu Dam and bulk water scheme	–	264	430	694
<b>Statistics SA:</b> New head office accommodation	282	135	–	417
<b>Transport:</b> Rehabilitation of road infrastructure destroyed by natural disasters	235	178	–	414
<b>Health:</b> Introduction of new vaccine for cervical cancer	200	200	–	400
<b>National Treasury:</b> Integrated city development grant	105	116	135	356
<b>Human Settlements:</b> Repair of housing infrastructure damaged by disasters	185	141	–	326
<b>Defence:</b> Military Health Services: medical equipment and supplies	100	100	100	300
<b>Environmental Affairs:</b> Green Fund, to support the transition to a green economy	250	–	–	250
<b>Agriculture, Forestry and Fisheries:</b> Repair of farm infrastructure damaged by natural disasters	196	14	–	209
<b>Home Affairs:</b> Rescheduling of information technology system modernisation projects	–	–	200	200
<b>Provincial Health:</b> Provision of the cervical cancer vaccine by provincial governments	–	–	200	200
<b>Energy:</b> South African Nuclear Energy Corporation, upgrading of the Safari-1 nuclear reactor, research and development	190	–	–	190
<b>Human Settlements:</b> Informal settlement upgrading in mining towns	180	–	–	180
<b>Total</b>	<b>7 168</b>	<b>9 178</b>	<b>11 775</b>	<b>28 120</b>

## The fiscal framework

Table W1.2 presents the medium-term macroeconomic forecasts for the 2014 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, 2013/14 – 2016/17**

R billion	2013/14		2014/15		2015/16		2016/17
	2013 Budget	2014 Budget	2013 Budget	2014 Budget	2013 Budget	2014 Budget	2014 Budget
Gross domestic product	3 520.3	3 464.9	3 880.4	3 789.6	4 270.8	4 150.5	4 552.9
<i>Real GDP growth</i>	3.0%	2.0%	3.6%	2.9%	3.8%	3.3%	3.5%
<i>GDP inflation</i>	6.5%	6.2%	6.4%	6.3%	6.0%	6.0%	5.9%
<b>National budget framework</b>							
<b>Revenue</b>	<b>873.0</b>	<b>886.2</b>	<b>967.9</b>	<b>962.8</b>	<b>1 070.7</b>	<b>1 058.1</b>	<b>1 172.6</b>
<i>Percentage of GDP</i>	24.8%	25.6%	24.9%	25.4%	25.1%	25.5%	25.8%
<b>Expenditure</b>	<b>1 055.1</b>	<b>1 049.1</b>	<b>1 138.0</b>	<b>1 142.6</b>	<b>1 225.7</b>	<b>1 232.6</b>	<b>1 323.6</b>
<i>Percentage of GDP</i>	30.0%	30.3%	29.3%	30.1%	28.7%	29.7%	29.1%
<b>Main budget balance<sup>1</sup></b>	<b>-182.1</b>	<b>-162.9</b>	<b>-170.1</b>	<b>-179.8</b>	<b>-155.0</b>	<b>-174.5</b>	<b>-151.0</b>
<i>Percentage of GDP</i>	-5.2%	-4.7%	-4.4%	-4.7%	-3.6%	-4.2%	-3.3%

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

Table W1.3 sets out the division of revenue for the 2014 MTEF period after accounting for new policy priorities.

**Table W1.3 Division of nationally raised revenue, 2010/11 – 2016/17**

R million	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Outcome			Revised estimate	Medium-term estimates		
<b>Division of available funds</b>							
<b>National departments</b>	<b>356 027</b>	<b>382 712</b>	<b>412 706</b>	<b>449 251</b>	<b>489 424</b>	<b>522 257</b>	<b>552 983</b>
of which:							
<i>Indirect transfers to provinces</i>	–	76	860	2 693	5 413	5 044	4 127
<i>Indirect transfers to local government</i>	2 939	2 770	4 956	5 697	7 726	9 467	10 221
<b>Provinces</b>	<b>322 822</b>	<b>362 488</b>	<b>388 238</b>	<b>414 932</b>	<b>444 423</b>	<b>477 639</b>	<b>508 254</b>
Equitable share	265 139	291 736	313 016	338 937	362 468	387 967	412 039
Conditional grants	57 682	70 753	75 222	75 995	81 955	89 672	96 215
<b>Local government</b>	<b>60 904</b>	<b>68 251</b>	<b>76 430</b>	<b>83 670</b>	<b>90 815</b>	<b>100 047</b>	<b>105 187</b>
Equitable share	30 541	33 173	37 139	39 789	44 490	50 208	52 869
Conditional grants	22 821	26 505	30 251	34 268	36 135	39 181	41 094
General fuel levy sharing with metropolitan municipalities	7 542	8 573	9 040	9 613	10 190	10 659	11 224
<b>Non-interest allocations</b>	<b>739 752</b>	<b>813 451</b>	<b>877 374</b>	<b>947 853</b>	<b>1 024 662</b>	<b>1 099 943</b>	<b>1 166 424</b>
<i>Percentage increase</i>	7.2%	10.0%	7.9%	8.0%	8.1%	7.3%	6.0%
Debt-service costs	66 227	76 460	88 121	101 256	114 901	126 647	139 201
Contingency reserve	–	–	–	–	3 000	6 000	18 000
<b>Main budget expenditure</b>	<b>805 979</b>	<b>889 911</b>	<b>965 496</b>	<b>1 049 109</b>	<b>1 142 562</b>	<b>1 232 590</b>	<b>1 323 624</b>
<i>Percentage increase</i>	7.9%	10.4%	8.5%	8.7%	8.9%	7.9%	7.4%
<i>Percentage shares</i>							
<i>National departments</i>	48.1%	47.0%	47.0%	47.4%	47.8%	47.5%	47.4%
<i>Provinces</i>	43.6%	44.6%	44.2%	43.8%	43.4%	43.4%	43.6%
<i>Local government</i>	8.2%	8.4%	8.7%	8.8%	8.9%	9.1%	9.0%

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,<sup>1</sup> 2014/15 – 2016/17**

R million	2014/15	2015/16	2016/17
National departments	-32	551	5 113
Provinces	2 696	3 250	4 861
Local government	-764	-1 422	-1 660
<b>Allocated expenditure</b>	<b>1 900</b>	<b>2 379</b>	<b>8 314</b>

1. Excludes shifting of savings towards priorities over the MTEF

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, 2014/15 – 2016/17**

R million	2014/15	2015/16	2016/17
	Column A Allocation	Column B Forward estimates	
National <sup>1, 2</sup>	735 604	794 415	858 717
Provincial	362 468	387 967	412 039
Local	44 490	50 208	52 869
<b>Total</b>	<b>1 142 562</b>	<b>1 232 590</b>	<b>1 323 624</b>

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

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

The 2014 *Budget Review* sets out in detail how constitutional issues and government's priorities are taken into account in the 2014 division of revenue. It describes economic and fiscal policy considerations, revenue issues, debt and financing considerations, and expenditure plans. Chapter 7 focuses on provincial and local government financing.

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

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

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

The act requires that the FFC table these recommendations at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2014/15* to Parliament in May 2013. These recommendations are divided into 13 chapters, which cover three main areas: national levers for inclusive growth in a post-crisis fiscal response; provincial fiscal levers – state capability and performance; and local government levers – collaborative governance for effective and sustainable municipalities.

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 the requirement.

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

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

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

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

### *Chapter 1: Budget consolidation in South Africa: balancing growth and socioeconomic rights*

#### **Moderate the growth in public-sector wage expenditure**

The FFC recommends that, "Government continues its efforts to moderate the growth in expenditure components such as the public-sector wage bill (which constitutes some 60 per cent of government expenditure), as decreases in government expenditure increase the probability of a successful fiscal consolidation in South Africa. More effort must be made to improve the effectiveness of public finances, through greater and more rigorous oversight to ensure the elimination of fruitless, wasteful and unauthorised expenditure, and corrupt practices in managing public finances."

#### **Government response**

This recommendation deals with two different issues. The moderation of the wage bill is about the broad public-sector remuneration policy, whereas improving the effectiveness of public finances (in respect of fruitless, wasteful, unauthorised expenditure and corrupt practices) is an issue of accountability, governance and legal compliance.

Moderating the public-sector wage bill requires the management of employee remuneration policies (wage increases, allowances and so on) and staff numbers. The former is governed by the Department of Public Service and Administration. Government recognises that there is dualism in this area and has raised the issue in the FFC's presence both in Parliament and in other executive forums (the Technical Committee on Finance and the Budget Council). Government is working to address this issue. In terms of staff numbers, accounting officers and the executive authority are responsible for ensuring that people are not recruited where there is no pre-authorised budget to pay their salaries, and that budgets are not increased to cater for staff growth at the expense of other service delivery areas. Government has proposed the development of a management framework for this aspect of personnel management, and has initiated a project for personnel costing and modelling to help departments plan for personnel requirements and reduce the financial impact.

Government is committed to improving the effectiveness of public spending. The cost containment measures announced in the 2013 *Medium Term Budget Policy Statement* are being implemented through new guidelines issued by the National Treasury. Financial monitoring systems are being continuously improved across government, including through the design of a standard chart of accounts for local government. These improvements provide managers, oversight bodies and the public with the information they need to hold government accountable for the way public funds are spent.

### *Chapter 3: Funding of the South African further education and training sector*

#### **Funding further education and training colleges**

The FFC recommends that, "The funding model for the further education and training sector after the function shift ensures that: baseline funding does not perpetuate past underfunding of the function in certain provinces; additional allocations are used to achieve a more equitable funding regime across the provinces; and ongoing infrastructure development and maintenance are provided for."

### Government response

In 2012, the Department of Higher Education and Training developed a comprehensive turnaround strategy for all 50 further education and training colleges. The strategy, which is being implemented, aims to systematically address the colleges' key challenges to achieve sustainable improvements in the quality of teaching and learning. The strategy uses individual assessments and tailored interventions to respond to the specific strengths and weaknesses of each college. The Department of Higher Education and Training is solving immediate problems while laying out a developmental agenda that will be sustained beyond 2030. The coordination and implementation of the strategy is important and will drive annual operational plans, budgets and priorities. A portion of the cost per course will cover ongoing maintenance and infrastructure development. Large-scale infrastructure development will require additional funding, if available.

### *Chapter 5: Evolution of conditional grants*

#### Consulting the FFC when planning for conditional grants

The FFC recommends that, "The section in the Division of Revenue Act dealing with preparation for the next financial year is reviewed to make consultation with the commission mandatory when planning for conditional grants for the forthcoming year. This would assist departments with grant design, especially in the case of new grants, phased-out grants, and material redesign of existing grants."

#### Government response

The consultation processes between the FFC and national government on the annual budget is prescribed in the Intergovernmental Fiscal Relations Act and not the annual Division of Revenue Act. Government, however, welcomes the commission's offer to provide assistance to national departments. Given the tight timeframes involved in planning for the annual Division of Revenue Bill, government recommends that the FFC focus on assisting departments with the design of new grants, redesigning grants and grants that need to be phased out, as these are the areas where the commission's advice can be of most value. The National Treasury will refer individual departments considering major changes to conditional grants to the FFC for consultations and advice.

This initiative will complement the well-established practice of extensive consultation between government and the FFC on matters relating to the division of revenue. These consultations include the National Treasury consulting the commission on proposed changes to the division of revenue before announcements are made in the Medium Term Budget Policy Statement and the Budget Speech; the FFC's participation in the Budget Forum, Budget Council and Technical Committee on Finance meetings; sharing draft conditional grant frameworks with the FFC for comments; and the commission's inclusion in review initiatives, such as the review of the local government equitable share undertaken in 2012 and the review of local government infrastructure grants currently under way.

#### Reviewing the efficacy of conditional grants

The FFC recommends that, "The efficacy of conditional grants is reviewed, specifically in relation to the necessity and purpose of some of the grants, criteria for allocations, targeting, reporting on non-financial data, performance, and value for money."

#### Government response

Government agrees on the importance of assessing the effectiveness of conditional grants. Government assesses grant performance and effectiveness on an ongoing basis and makes changes where necessary in the annual Division of Revenue Act and the grant frameworks gazetted in terms of that act.

In addition, government also conducts periodic reviews of the conditional grant system. In the explanatory memorandum to the 2013 Division of Revenue, government announced a review of the local government infrastructure grant system. This review is under way and includes a number of stakeholders in its working group and steering committee, including the FFC. The review will also involve extensive consultation with

affected sectors and municipalities. Consultative reviews of systems as complex as the local government infrastructure grant system take time to complete and are therefore done periodically rather than continuously.

New measures have also been introduced to improve the effectiveness of conditional grants. For example, years of experience with the Infrastructure Delivery Improvement Programme have demonstrated that one of the biggest obstacles to the successful implementation of infrastructure projects in provinces is weak planning. As a result, a new infrastructure grant allocation mechanism has been introduced that requires provinces to begin submitting draft plans two years before project implementation. More details on progress in implementing these reforms can be found in part 6 of this annexure.

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

### *Chapter 5: Evolution of conditional grants*

#### Capacity building in transferring national departments

The FFC recommends that, “National Treasury builds the capacity of transferring national departments for the effective grant design, monitoring and evaluation to ensure that guidelines are adhered to.”

#### Government response

Government agrees on the importance of appropriate capacity to manage conditional grants. The National Treasury provides technical guidance to national departments on how to design, manage and monitor conditional grants. Departments considering establishing a new grant are able to consult with National Treasury officials and are provided with guidance and templates for the grant application process. Annual workshops on the Division of Revenue Act are held with all national transferring officers to discuss changes to the act, how the different provisions in the act work, and what levers are available to grant managers to carry out their mandates. The National Treasury also conducts annual training sessions with provinces and national departments on how to compile a business plan using a generic template. The National Treasury meets with national departments each quarter to review performance and assist departments with Division of Revenue Act compliance issues. Although the National Treasury offers guidance and training, national departments are responsible for devising their own capacity-building strategies and ensuring that suitably qualified staff are assigned to tasks relating to conditional grants.

### *Chapter 6: Assessing and improving the fiscal performance of provinces*

#### Establishing a provincial fiscal performance framework

The FFC proposes that, “National and provincial treasuries put in place an agreed-upon measurement and assessment framework for fiscal performance against which provinces are evaluated. The assessment framework must: a) take into account various factors that capture fiscal performance holistically, including services burden, expenditure efficiency, and funding and delivery norms; b) incorporate information from internal audit reports and serve as an early warning system to complement section 32 reports and National Treasury benchmarking exercises; c) provide for monitoring and disclosure of key fiscal performance indicators of provincial departments, particularly when deviation (as defined by the Public Finance Management Act) from a healthy fiscal trajectory is prolonged; and d) provide for monitoring of expenditure benchmarks against which key provincial expenditure items are regularly evaluated and reported by provincial accounting officers.”

#### Government response

Government agrees that frameworks for fiscal performance are critical. In this regard, expenditure reviews are being conducted (short term within the National Treasury and long term in a joint project with the Department of Performance Monitoring and Evaluation), as well as the public expenditure and financial accountability assessments in provinces. A planning and performance management framework is in place, with annual guidelines that are produced by the National Treasury and used by departments. A quarterly

performance reporting system has been implemented to complete the financial reporting system for all departments. Each sector develops norms for its specific delivery requirements (for example, school funding and feeding norms), which feed into the department's budgeting and planning. The section 32 report is a summary output of the early warning system and does not necessarily contain all the details available in that system. The report's high-level content presents information in a way that can be accessed and used by a broad audience. Internal audit reports cannot serve as an early warning system because they only become available after the event in question has occurred. In addition, even though they are available earlier than the Auditor-General's report, they are still available much later than the information from the existing monthly warning system. The FFC has previously been invited to assess the National Treasury's early warning system and this invitation is still open.

#### **Mandatory expenditure reviews by provincial treasuries**

The FFC recommends that, "Provincial treasuries must carry out mandatory expenditure reviews (overseen by National Treasury and the Department of Performance Monitoring and Evaluation in the Presidency) after every MTEF cycle, specifically focusing on composition, efficiency, economy and effectiveness of expenditure, as well as access to services and realignment of spending with programme objectives and delivery targets."

#### **Government response**

The largest and most significant provincial programmes are concurrent functions driven by national policies. As a result, reviews of the composition of expenditure should be a nationally driven process, working in conjunction with provinces. The National Treasury and the Department of Performance Monitoring and Evaluation are conducting expenditure reviews during 2013/14 and 2014/15. Provincial treasuries have instituted expenditure reviews in their respective provinces. The framework for strategic planning and annual performance planning has aligned spending with service delivery, programme objectives and delivery targets in both provincial and national government. Government acknowledges that sector indicators, definitions, plans and reports need to be improved, which is an ongoing process. The relevant service delivery sectors must take direct ownership and responsibility for managing and improving their programme performance.

#### *Chapter 7: Managing the provincial wage bill to contain fiscal stress*

#### **An appropriate balance between wage and non-wage components of provincial budgets for social spending**

The FFC recommends that, "A transition over the medium to long term is required, towards a more appropriate balance between the wage and non-wage components of provincial budgets for social spending (starting with education and health). This should be in the form of national sector departments setting a norm or ratio of frontline versus administrative staff to total expenditure per sector and/or by specific occupational categories, and developing accurate and up-to-date management information systems to monitor employee compensation expenditure against those norms."

#### **Government response**

Government supports the recommendations relating to the transition towards a more appropriate balance between the wage and non-wage components of provincial budgets for social spending. This transition must be systematic – the estimates should be informed by the staffing norms and not the other way around. For example, the health sector itself should recommend the scenarios to determine the ratio of administration staff in head offices or facilities to the number of doctors and nurses. This work is under way. After this, a collaborative effort between treasuries and health departments must take place to determine what is affordable.

## *Chapter 9: Effective intergovernmental planning and budgeting for better outcomes*

### **Budget process reforms for collective responsibility for delivery agreement outcomes**

The FFC recommends that, “National Treasury and the Department of Performance Monitoring and Evaluation introduce budget process reforms necessary for reconciling the collective responsibility for delivery agreement outcomes and the individual department-focused budget-bidding process by: a) realigning the budget process along service delivery agreements such that Medium-Term Expenditure Committee hearings are conducted at an outcome level, where applicable, rather than the current sectoral, individual institutional approach; and b) directly linking resource allocation to realistic, measurable and limited performance targets per outcome. Programme expenditure reviews must be undertaken at the end of each targeting period.”

### **Government response**

The budget process explicitly incorporates the outcomes approach. This is evident in the introduction of a functional approach to budgeting from the 2011 Budget onwards, which shifted the focus from administrative units and clusters to government’s objectives, irrespective of which unit or department the related function falls under. The budget process, including Medium-Term Expenditure Committee deliberations, allows for efficient budget allocations and for specific focus on achieving identified national outcomes. National and provincial departments, and in some cases specific individual departmental programmes, and public entities are grouped according to their functions. The function groups that institutions and programmes are classified under support the outcomes approach because allocations are based on government objectives or functions, rather than individual departments.

In the annual estimates of national expenditure and provincial estimates, departments provide information on the outcomes to which all the programme performance indicators contribute. In their annual performance plans, national and provincial departments report on both financial and non-financial performance, and how budgets contribute to the achievement of targets. Conditional grant frameworks also identify which outcomes the grant contributes towards. Outputs and other indicators and the targets of the national outcomes are also incorporated into departmental planning documents.

### **Reorienting conditional grant incentives to reward successful delivery**

The FFC recommends that, “In order to incentivise collaboration, government consolidates and reorients existing conditional grant incentives to reward successful achievement of delivery targets/outcomes rather than specific, individual, department-specific programme objectives.”

### **Government response**

The conditional grant system includes a wide range of grants for a variety of objectives. As such, it encompasses several different approaches and cannot adopt a “one-size-fits-all” system. However, government is committed to improving the incentives where appropriate. In the 2013 division of revenue, changes to the way health and education infrastructure grants are allocated to provinces created strong incentives for provinces to improve their planning. A new *integrated city development grant* introduces incentives for developing more integrated and efficient cities. The review of local government infrastructure grants that is under way may also deliver changes to grants in line with the FFC’s recommendation (though the outcomes of the review cannot be known at this stage).

## *Chapter 10: Improving the performance of municipalities through incentive-based grants*

### **Performance-based grants**

The FFC recommends that, “Performance-based grants are based on principles and guidelines. The following principles should guide the design of performance-based grants: a) incentives should have sufficient monetary value to motivate desired behaviours by municipalities; b) incentive and performance indicators should be periodically revised and renegotiated between national government and municipalities; c) performance measures should capture performance unambiguously and be within the

control and influence of the municipalities; d) performance incentives and associated performance measures should be evaluated at regular and scheduled intervals, and allow time for learning from each cycle; e) incentives should be achievable and evaluated within the specified timeframe; f) the transferring officials and the municipality should be sufficiently capacitated to understand the purpose and impact of incentives; and g) incentives should be tailor-made to suit specific situations.”

#### Government response

Government appreciates the FFC’s work in proposing these principles and guidelines, and will consider them in the design of future incentive grants. Grants will be designed on a case-by-case basis and the appropriateness of each of these proposed principles will be considered for each grant.

An incentive-based transfer system could improve service delivery in municipalities with adequate institutional and fiscal capacity. This is premised on the fact that socioeconomic circumstances and institutional capacities of various municipalities in South Africa differ greatly. It is therefore highly likely that the best-performing municipalities would consistently benefit from this initiative. A number of municipalities find it difficult to use the *municipal infrastructure grant* allocations for basic services, which indicates that there are underlying challenges that need urgent attention. To redress this situation, government has implemented capacity building and support programmes to accelerate infrastructure delivery in local government.

With regard to revision of the grant framework, existing mechanisms are in place to ensure that allocations are incremental or demand-driven, and tailor-made to suit the objectives of all sectors in South Africa. Government agrees with the FFC that transferring officers need to be capacitated to address the skills gap in a number of sectors.

Although government agrees with most of the recommendations on monitoring and evaluation, it should be noted that government is currently crafting guidelines for outlining performance indicators. These guidelines are for metropolitan municipalities, and will be rolled out to secondary and local municipalities at a later stage. The indicators take cognisance of the fact that municipalities differ in institutional, social, economic and political context. Indicators can perform a valuable role in clarifying long-term goals, guiding municipal actions to achieve them, measuring their progress over time and rewarding good performance. Indicators are also important for national government to account for the effective use of taxpayer funding.

#### Sufficient awareness of the nature of performance-based grants

The FFC recommends that, “The National Treasury and Department of Cooperative Governance ensure that there is sufficient awareness of the nature of performance-based grants, the value of incentives, relevant indicators, assessment criteria and potential benefits thereof, and how potential implementation risks could be managed.”

#### Government response

Government agrees that if any new incentive or performance-based grants are introduced, national government must ensure that municipalities understand how the grants are allocated and what performance is expected of them to earn more from the grant. The National Treasury will ensure that the allocation criteria are set out clearly in the grant framework gazetted in terms of the Division of Revenue Act, but it is the responsibility of the department managing and transferring the grant to distribute guidelines on the grant and if necessary to hold workshops with receiving officers on how a grant works.

### *Chapter 13: A collaborative effort to enhance revenue generation in rural municipalities*

#### Linking grant funding for municipalities in rural areas to capacity-building initiatives

The FFC recommends that, “National and provincial governments ensure that grant funding to rural municipalities is linked to capacity-building initiatives and structured assistance, so that systems are built to improve the municipality’s ability to collect revenues due and increase the quality of spending.”

### Government response

Government provides extensive capacity support to rural municipalities through a range of programmes, including the *financial management grant*, the *municipal systems improvement grant*, the Municipal Finance Improvement Programme, the *infrastructure skills development grant* and the Municipal Infrastructure Support Agency. These programmes target various aspects of local capacity, including revenue management and infrastructure spending. In some cases, capacity is built through resource allocations, while in others capacity is built through technical, hands-on transfer of skills or through formal competency training programmes. This differentiated approach to capacity building cannot always be linked to specific grant transfers. However, government strives to ensure that every municipality with capacity problems receives appropriate support. As part of this effort, the Municipal Infrastructure Support Agency is working to ensure that municipalities with high levels of underspending on capital grants receive support to improve their planning and capital spending.

The Municipal Finance Improvement Programme is designed to ensure that all disciplines related to the Municipal Finance Management Act are addressed through technical assistance placed at the municipality. Support is directed towards revenue management and collections, and budgeting. The programme transfers skills and experience to municipal officials. Although municipalities receive support to address gaps in their budget and treasury offices by identifying critical posts, filling these is a matter that municipal councils must prioritise. Rural municipalities need to develop new strategies to attract and retain skills, for example, by recruiting retired individuals and using shared services models more extensively.

## ■ 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.

A total of R10.8 billion is added to the provincial baseline over the next three years. The provincial equitable share baselines are revised upwards by R12 billion, while direct conditional grant allocations are reduced by R1.2 billion over the MTEF period due to reprioritisations. National transfers to provinces increase from R414.9 billion in 2013/14 to R444.4 billion in 2014/15. Over the MTEF period, provincial transfers will grow at an average annual rate of 7 per cent to R508.3 billion in 2016/17.

Table W1.6 sets out the total transfers to provinces for 2014/15, which amount to R444.4 billion. A total of R362.5 billion is allocated to the provincial equitable share and R82 billion to conditional grants, which includes an unallocated R197.4 million for the *provincial disaster grant*, but excludes indirect transfers of R5.4 billion.



**Table W1.6 Total transfers to provinces, 2014/15**

<b>R million</b>	<b>Equitable share</b>	<b>Conditional grants</b>	<b>Total transfers</b>
Eastern Cape	52 154	9 846	<b>62 000</b>
Free State	20 883	6 158	<b>27 041</b>
Gauteng	68 673	16 935	<b>85 608</b>
KwaZulu-Natal	78 138	15 941	<b>94 080</b>
Limpopo	43 274	7 580	<b>50 854</b>
Mpumalanga	29 355	6 352	<b>35 707</b>
Northern Cape	9 652	3 406	<b>13 057</b>
North West	24 707	5 621	<b>30 328</b>
Western Cape	35 631	9 917	<b>45 549</b>
Unallocated	–	197	<b>197</b>
<b>Total</b>	<b>362 468</b>	<b>81 955</b>	<b>444 423</b>

### The provincial equitable share

The equitable share is the main source of revenue for meeting provincial expenditure responsibilities. The proposed revisions of R2.5 billion in 2014/15, R4.3 billion in 2015/16 and R5.1 billion in 2016/17 bring the equitable share allocations to R362.5 billion, R388 billion and R412 billion respectively for each year of the MTEF. These revisions result in the provincial equitable share increasing by 6.9 per cent between 2013/14 and 2014/15, and growing at an average annual rate of 6.7 per cent over the MTEF period. These equitable share amounts include R2.2 billion in 2014/15 and R2.3 billion in 2015/16, which were previously part of the *devolution of property rate funds grant*. This grant will be fully phased into the provincial equitable share from 2016/17.

### Policy priorities underpinning equitable share revisions

The revisions to baseline equitable share allocations provide for personnel and policy adjustments to fund urgent government priorities identified in health and social development. The personnel adjustments provide for the carry-through costs of higher-than-anticipated inflation on personnel budgets, the upgrade of clerical positions in all sectors and the costs of occupation-specific dispensation agreements for therapists in the education sector. A total of R11.6 billion is added to the provincial equitable share over the 2014 MTEF for these personnel-related costs. Policy-related adjustments to the provincial equitable share amount to R350 million over the MTEF period. A total of R50 million is added per year to provide shelters for victims of gender-based violence and R200 million is added in 2016/17 for the rollout of the human papillomavirus vaccine (the Department of Health will roll out the vaccine through an indirect grant in 2014/15 and 2015/16).

### The equitable share formula

The provincial equitable share formula is reviewed and updated with new data annually. For the 2014 MTEF, the formula has been updated with data from the 2013 mid-year population estimates published by Statistics South Africa; the 2013 preliminary data published by the Department of Basic Education on school enrolment; data from the 2012 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 leads to changes in the relative demand for public services across these areas. The impact of these updates on the provincial equitable share is phased in over three years (2014/15 to 2016/17).

#### *Provision for 2011 Census impact*

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 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. As Table W1.7 shows, R1.5 billion in 2014/15 and R2.1 billion in 2015/16 of these “top-up” funds will be transferred during the 2014 MTEF.

**Table W1.7 Cushioning for 2011 Census impact on provinces with declining shares in the 2014 MTEF**

	2014/15	2015/16	2016/17
<b>R thousand</b>	<b>Medium-term estimates</b>		
Eastern Cape	421 166	685 628	–
Free State	78 350	171 261	–
Gauteng	–	–	–
KwaZulu-Natal	656 600	773 075	–
Limpopo	297 127	487 036	–
Mpumalanga	–	–	–
Northern Cape	–	–	–
North West	–	–	–
Western Cape	–	–	–
<b>Total</b>	<b>1 453 243</b>	<b>2 117 000</b>	<b>–</b>

From 2016/17, the provincial equitable share will be allocated solely through the formula, with no additions to support provinces with declining shares. Provinces must use the “top-up” support provided between 2013/14 and 2015/16 to adjust to their new baselines. Provinces may choose to retain some of the “top-up” funds allocated in 2015/16 to cover the costs of adjusting to their new baselines that will be incurred in 2016/17.

#### *Phasing in the formula*

To mitigate the impact of annual data updates on provincial equitable shares, the new shares are phased in over the three-year MTEF. An amended phase-in mechanism is being introduced in the 2014 MTEF to ensure that the weighted share of the provincial equitable share allocated to each province over the MTEF period 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 W1.8. The phase-in mechanism provides a smooth path towards achieving these weighted shares by the third year of the MTEF. It takes the difference between the target weighted share for each province at the end of the MTEF and the indicative allocation for 2014/15 that was published in the 2013 MTEF and closes the gap between these shares by a third in each year of the 2014 MTEF. As a result, one-third of the impact of the data updates is implemented in 2014/15, two-thirds in the indicative allocations for 2015/16 and the updates are fully implemented in the indicative allocations for 2016/17.



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

Table W1.10 shows the full impact of the data updates on the provincial equitable share per province. It compares the target shares for the 2013 and 2014 MTEF periods.

**Table W1.10 Full impact of data updates on the equitable share**

	2013 MTEF	2014 MTEF	Difference
Eastern Cape	14.2%	14.0%	-0.11%
Free State	5.6%	5.6%	-0.02%
Gauteng	19.4%	19.5%	0.04%
KwaZulu-Natal	21.3%	21.3%	0.02%
Limpopo	11.8%	11.8%	0.01%
Mpumalanga	8.2%	8.2%	0.02%
Northern Cape	2.7%	2.7%	-0.04%
North West	6.9%	6.9%	0.04%
Western Cape	10.0%	10.0%	0.05%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

For the 2014 Budget, the formula components are set out as follows:

- An *education component* (48 per cent) based on the size of the school-age population (ages 5 to 17) and the number of learners (Grade R to 12) enrolled in public ordinary schools.
- A *health component* (27 per cent) based on the risk profile of each province and its 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 GDP-R data. GDP-R is a measure of regional gross domestic product produced by Statistics South Africa.

#### *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 2013 School Realities Survey conducted by the Department of Basic Education. Each of these elements is assigned a weight of 50 per cent.

Table W1.11 shows the impact of updating the education component with new enrolment data on the education component shares.

**Table W1.11 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
		2012	2013		2013 MTEF	2014 MTEF	
Eastern Cape	1 856 317	1 938 837	1 927 081	-11 756	15.3%	15.2%	-0.09%
Free State	657 489	660 966	663 312	2 346	5.3%	5.3%	-0.00%
Gauteng	2 231 793	2 062 526	2 116 391	53 865	17.3%	17.5%	0.17%
KwaZulu-Natal	2 758 594	2 866 369	2 857 959	-8 410	22.7%	22.6%	-0.10%
Limpopo	1 536 294	1 714 518	1 713 696	-822	13.1%	13.1%	-0.04%
Mpumalanga	1 053 846	1 051 356	1 049 995	-1 361	8.5%	8.5%	-0.03%
Northern Cape	288 839	276 420	281 500	5 080	2.3%	2.3%	0.01%
North West	824 724	774 615	787 470	12 855	6.5%	6.5%	0.03%
Western Cape	1 174 625	1 034 392	1 048 883	14 491	8.9%	9.0%	0.04%
<b>Total</b>	<b>12 382 521</b>	<b>12 379 999</b>	<b>12 446 287</b>	<b>66 288</b>	<b>100.0%</b>	<b>100.0%</b>	<b>–</b>

*Health component (27 per cent)*

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

The health component is presented in three parts below. Table W1.12 shows the shares of the risk-adjusted component, which accounts for 75 per cent of the health component.

**Table W1.12 Risk-adjusted sub-component shares**

	Mid-year population estimates	Insured population	Risk- adjusted index	Weighted population	Risk-adjusted shares		Change
	2013	2012	2013	2013	2013	2014	
Eastern Cape	6 620	10.9%	96.9%	5 713	13.0%	13.1%	0.10%
Free State	2 753	18.1%	103.3%	2 328	5.4%	5.4%	-0.08%
Gauteng	12 728	29.0%	105.4%	9 527	22.7%	21.9%	-0.82%
KwaZulu-Natal	10 457	12.3%	98.9%	9 070	20.6%	20.9%	0.30%
Limpopo	5 518	8.0%	91.6%	4 652	10.6%	10.7%	0.09%
Mpumalanga	4 128	14.5%	95.7%	3 378	7.6%	7.8%	0.13%
Northern Cape	1 163	18.9%	100.7%	949	2.3%	2.2%	-0.13%
North West	3 598	14.1%	102.2%	3 159	7.2%	7.3%	0.11%
Western Cape	6 017	25.2%	104.0%	4 682	10.5%	10.8%	0.30%
<b>Total</b>	<b>52 982</b>			<b>43 459</b>	<b>100.0%</b>	<b>100.0%</b>	<b>–</b>

The risk-adjusted sub-component estimates a weighted population in each province using the risk-adjusted capitation index, which is calculated using data from the Council for Medical Schemes' Risk Equalisation Fund. The percentage of the population with medical aid insurance, based on the 2012 General Household Survey, is deducted from the 2013 mid-year population estimates to estimate the uninsured population per province. The risk-adjusted index, which is an index of the health risk profile of each province, is applied to this uninsured population to estimate the weighted population. Each province's share of this weighted population is used to estimate their share of the risk-adjusted sub-component. Table W1.12 shows the change in this sub-component between 2013 and 2014.

The output sub-component, which is updated with 2011/12 and 2012/13 data obtained from the District Health Information Services, is shown in Table W1.13 below.

**Table W1.13 Output sub-component shares**

	Primary healthcare visits				Hospital workload patient-day equivalents			
	2011/12	2012/13	Average	Share	2011/12	2012/13	Average	Share
Eastern Cape	18 255	17 716	17 986	14.1%	4 550	4 373	4 461	14.2%
Free State	7 175	7 473	7 324	5.7%	1 741	1 810	1 776	5.7%
Gauteng	22 309	23 053	22 681	17.7%	6 556	6 578	6 567	20.9%
KwaZulu-Natal	29 139	31 013	30 076	23.5%	8 133	8 061	8 097	25.8%
Limpopo	14 696	14 330	14 513	11.4%	2 868	2 888	2 878	9.2%
Mpumalanga	8 760	9 046	8 903	7.0%	1 724	1 812	1 768	5.6%
Northern Cape	3 338	3 409	3 373	2.6%	449	471	460	1.5%
North West	7 867	7 872	7 870	6.2%	1 551	1 570	1 560	5.0%
Western Cape	15 431	14 728	15 079	11.8%	3 759	3 869	3 814	12.2%
<b>Total</b>	<b>126 970</b>	<b>128 639</b>	<b>127 804</b>	<b>100.0%</b>	<b>31 331</b>	<b>31 431</b>	<b>31 381</b>	<b>100.0%</b>

The output sub-component uses patient load data from the District Health Information Services. The average number of visits at primary healthcare clinics in 2011/12 and 2012/13 is calculated. Each province's average is used to estimate their share of this part of the output component, making up 5 per cent of the health component. For hospitals, each province's share of the total patient-day equivalents from public hospitals in 2011/12 and 2012/13 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 W1.14 shows the updated health component shares for the 2014 MTEF.

**Table W1.14 Health component weighted shares**

Weight	Risk-adjusted	Primary health care	Hospital component	Weighted shares		Change
	75.0%	5.0%	20.0%	2013	2014	
Eastern Cape	13.1%	14.1%	14.2%	13.5%	13.4%	-0.11%
Free State	5.4%	5.7%	5.7%	5.4%	5.4%	-0.00%
Gauteng	21.9%	17.7%	20.9%	21.9%	21.5%	-0.41%
KwaZulu-Natal	20.9%	23.5%	25.8%	21.7%	22.0%	0.32%
Limpopo	10.7%	11.4%	9.2%	10.3%	10.4%	0.11%
Mpumalanga	7.8%	7.0%	5.6%	7.2%	7.3%	0.13%
Northern Cape	2.2%	2.6%	1.5%	2.2%	2.1%	-0.15%
North West	7.3%	6.2%	5.0%	6.7%	6.8%	0.07%
Western Cape	10.8%	11.8%	12.2%	11.1%	11.1%	0.03%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

#### *Basic component (16 per cent)*

The basic component is derived from the proportion of each province's share of the national population. This component constitutes 16 per cent of the total equitable share. For the 2014 MTEF, population data is drawn from the 2013 Mid-Year Population Estimates produced by Statistics South Africa. Table W1.15 shows the impact on the basic component's revised weighted shares.

**Table W1.15 Impact of the changes in population on the basic component shares**

	2011	Mid-year	Population	% population	Basic component		Change
	Census	population			shares		
	Population	estimates	change	change	2013 MTEF	2014 MTEF	
		2013					
Eastern Cape	6 562 053	6 620 100	58 047	0.9%	12.7%	12.5%	-0.18%
Free State	2 745 590	2 753 200	7 610	0.3%	5.3%	5.2%	-0.11%
Gauteng	12 272 263	12 728 400	456 137	3.7%	23.7%	24.0%	0.32%
KwaZulu-Natal	10 267 300	10 456 900	189 600	1.8%	19.8%	19.7%	-0.10%
Limpopo	5 404 868	5 518 000	113 132	2.1%	10.4%	10.4%	-0.03%
Mpumalanga	4 039 939	4 128 000	88 061	2.2%	7.8%	7.8%	-0.01%
Northern Cape	1 145 861	1 162 900	17 039	1.5%	2.2%	2.2%	-0.02%
North West	3 509 953	3 597 600	87 647	2.5%	6.8%	6.8%	0.01%
Western Cape	5 822 734	6 016 900	194 166	3.3%	11.2%	11.4%	0.11%
<b>Total</b>	<b>51 770 561</b>	<b>52 982 000</b>	<b>1 211 439</b>	<b>2.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

*Institutional component (5 per cent)*

The institutional component recognises that some costs associated with running a provincial government and providing services are not directly related to the size of a province's population or the other factors included in other components. It is therefore distributed equally between provinces. It constitutes 5 per cent of the total equitable share, of which each province receives 11.1 per cent. This component benefits provinces with smaller populations, especially the Northern Cape and the North West, 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 population figure for the province from the 2013 Mid-Year Population Estimates. Table W1.16 shows the proportion of poor in each province from the Income and Expenditure Survey, the 2013 Mid-Year Population Estimates and the weighted share of the poverty component per province.

**Table W1.16 Comparison of current and new poverty component weighted shares**

Thousand	Income and Expenditure Survey 2010/11	Current (2013 MTEF)			New (2014 MTEF)			Difference in weighted shares
		2011 Census population	Poor population	Weighted shares	Mid-year population estimates 2013	Poor population	Weighted shares	
Eastern Cape	52.0%	6 562	3 414	16.3%	6 620	3 445	16.1%	-0.20%
Free State	41.4%	2 746	1 137	5.4%	2 753	1 140	5.3%	-0.10%
Gauteng	28.9%	12 272	3 543	16.9%	12 728	3 675	17.2%	0.26%
KwaZulu-Natal	45.3%	10 267	4 652	22.2%	10 457	4 738	22.2%	-0.06%
Limpopo	52.9%	5 405	2 857	13.6%	5 518	2 917	13.6%	-0.00%
Mpumalanga	47.3%	4 040	1 909	9.1%	4 128	1 951	9.1%	0.01%
Northern Cape	40.8%	1 146	467	2.2%	1 163	474	2.2%	-0.01%
North West	47.9%	3 510	1 681	8.0%	3 598	1 723	8.1%	0.03%
Western Cape	21.9%	5 823	1 273	6.1%	6 017	1 316	6.2%	0.07%
<b>Total</b>		<b>51 771</b>	<b>20 933</b>	<b>100.0%</b>	<b>52 982</b>	<b>21 377</b>	<b>100.0%</b>	<b>-</b>

*Economic activity component (1 per cent)*

The economic activity component is a proxy for provincial tax capacity and expenditure assignments. Given that these assignments are a relatively small proportion of provincial budgets, the component is assigned a weight of 1 per cent. For the 2014 MTEF, 2011 GDP-R data is used. Table W1.17 shows the weighted shares of the economic activity component.

**Table W1.17 Current and new economic activity component weighted shares**

	Current (2013 MTEF)		New (2014 MTEF)		Difference in weighted shares
	GDP-R, 2010 (R million)	Weighted shares	GDP-R, 2011 (R million)	Weighted shares	
Eastern Cape	203 993	7.7%	219 170	7.5%	-0.15%
Free State	145 405	5.5%	153 284	5.3%	-0.21%
Gauteng	897 553	33.7%	1 005 795	34.5%	0.75%
KwaZulu-Natal	420 647	15.8%	458 841	15.7%	-0.08%
Limpopo	191 934	7.2%	207 308	7.1%	-0.11%
Mpumalanga	187 367	7.0%	205 600	7.0%	0.01%
Northern Cape	61 175	2.3%	65 259	2.2%	-0.06%
North West	177 075	6.7%	189 047	6.5%	-0.17%
Western Cape	376 284	14.1%	413 235	14.2%	0.03%
<b>Total</b>	<b>2 661 433</b>	<b>100.0%</b>	<b>2 917 539</b>	<b>100.0%</b>	<b>-</b>

*Phasing of conditional grant into the provincial equitable share*

The *devolution of property rate funds grant* will be fully phased into the provincial equitable share by 2016/17. The grant was introduced to enable provinces to take over the responsibility of paying rates and municipal charges on properties that were administered by national government on their behalf. Progress in ensuring that all provinces have records of their properties and liabilities for municipal rates means that there is no longer a need for a separate conditional grant. A grant phase-out report detailing this progress was submitted to Parliament in February 2013. From 2013/14 to 2015/16, provinces receive the same amounts they would have received from the grant, but these will be transferred as part of the equitable share and not as a separate conditional grant. From 2016/17, these funds will be allocated through the provincial equitable share formula.



### **Conditional grants to provinces**

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

#### *Changes to conditional grants*

Given the challenging economic environment and fiscal constraints, government decided to reduce some underspending grants to fund key priorities. As a result, the baselines of certain conditional grants have been revised downward. However, because most of the reduced grants have a history of underspending, the impact of these reductions on service delivery should be minimised. Table W1.18 shows the revisions made to provincial conditional grants to make resources available for government priorities, and to provide for technical, policy and inflation adjustments.

**Table W1.18 Revisions to conditional grant baseline allocations, 2014/15 – 2016/17**

R million	2014/15	2015/16	2016/17	2014 MTEF
<b>Technical revisions</b>	–	–	–	–
<b>Direct transfers</b>	<b>-399</b>	<b>-575</b>	<b>400</b>	<b>-575</b>
Health facility revitalisation	500	400	400	1 300
Human settlements development	-899	-975	–	-1 875
<b>Indirect transfers</b>	<b>399</b>	<b>575</b>	<b>-400</b>	<b>575</b>
National health	-500	-400	-400	-1 300
Human settlements development	899	975	–	1 875
<b>Additions to baseline</b>	<b>1 373</b>	<b>798</b>	<b>1 251</b>	<b>3 421</b>
<b>Direct transfers</b>	<b>1 173</b>	<b>598</b>	<b>1 251</b>	<b>3 021</b>
Comprehensive agricultural support programme	196	14	–	209
Education infrastructure	53	40	–	92
Health facility revitalisation	1	1	–	2
Comprehensive HIV and Aids	–	–	1 000	1 000
Further education and training colleges	31	60	69	160
Human settlements development	365	141	–	506
Expanded public works programme integrated grant for provinces	–	–	10	10
Social sector expanded public works programme incentive for provinces	–	–	74	74
Provincial roads maintenance	235	178	–	414
Occupational-specific dispensation therapists	213	67	–	280
Substance abuse treatment	29	48	48	124
Public transport operations	50	50	50	150
<b>Indirect transfers</b>	<b>200</b>	<b>200</b>	<b>–</b>	<b>400</b>
National health grant	200	200	–	400
<b>Reductions to baseline</b>	<b>-1 077</b>	<b>-1 807</b>	<b>-1 675</b>	<b>-4 559</b>
<b>Direct transfers</b>	<b>-621</b>	<b>-1 043</b>	<b>-935</b>	<b>-2 599</b>
Comprehensive agricultural support programme	–	-67	-77	-144
Land care programme: poverty relief and infrastructure development	–	-3	-3	-6
Expanded public works programme integrated grant for provinces	-22	-25	–	-47
Social sector expanded public works programme incentive for provinces	-15	-18	–	-33
Human settlements development	-300	-300	-300	-900
Education infrastructure	-284	-630	-555	-1 469
<b>Indirect transfers</b>	<b>-456</b>	<b>-764</b>	<b>-741</b>	<b>-1 960</b>
National health	-225	-285	-285	-794
School infrastructure backlogs	-231	-479	-456	-1 166
<b>Net change to provincial allocations</b>	<b>295</b>	<b>-1 009</b>	<b>-425</b>	<b>-1 138</b>

After accounting for the reductions and shifts from provincial direct conditional grants, net revisions to direct conditional grant baseline allocations consist of an addition of R152.3 million in 2014/15, a reduction of R1 billion in 2015/16 and an addition of R716 million in 2016/17, or a net decrease of R152 million over the MTEF period. This brings the new direct conditional grant baselines to R82 billion in 2014/15, R89.7 billion in 2015/16 and R96.2 billion in 2016/17.

Table W1.19 provides a summary of conditional grants by sector for the 2014 MTEF. More detailed information, including the framework and allocation criteria for each grant, is provided in Annexure W2 of the 2014 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 2012/13.

**Table W1.19 Conditional grants to provinces, 2013/14 – 2016/17**

R million	2013/14	2014/15	2015/16	2016/17	MTEF total
<b>Agriculture, Forestry and Fisheries</b>	<b>2 152</b>	<b>2 389</b>	<b>2 238</b>	<b>2 336</b>	<b>6 963</b>
Comprehensive agricultural support programme	1 604	1 861	1 688	1 757	5 306
Ilima/Letsema projects	438	461	482	507	1 450
Land care programme: poverty relief and infrastructure development	109	68	68	72	208
<b>Arts and Culture</b>	<b>598</b>	<b>1 016</b>	<b>1 341</b>	<b>1 412</b>	<b>3 768</b>
Community library services	598	1 016	1 341	1 412	3 768
<b>Basic Education</b>	<b>11 836</b>	<b>13 170</b>	<b>15 827</b>	<b>16 662</b>	<b>45 659</b>
Dinaledi schools	109	111	116	122	350
Education infrastructure	6 160	6 929	9 469	10 038	26 436
HIV and Aids (life skills education)	204	221	226	238	686
National school nutrition programme	5 173	5 462	5 704	6 006	17 172
Technical secondary schools recapitalisation	190	233	244	257	735
Occupational-specific dispensation for education sector therapists	–	213	67	–	280
<b>Cooperative Governance and Traditional Affairs</b>	<b>38</b>	<b>197</b>	<b>204</b>	<b>215</b>	<b>617</b>
Provincial disaster	38	197	204	215	617
<b>Health</b>	<b>27 686</b>	<b>30 111</b>	<b>32 484</b>	<b>35 184</b>	<b>97 780</b>
Comprehensive HIV and Aids	10 534	12 311	13 957	15 697	41 965
Health facility revitalisation	5 291	5 240	5 389	5 652	16 281
Health professions training and development	2 190	2 322	2 429	2 557	7 308
National tertiary services	9 620	10 168	10 636	11 200	32 004
National health insurance	51	70	74	78	222
<b>Higher Education and Training</b>	<b>2 454</b>	<b>2 631</b>	<b>2 819</b>	<b>2 974</b>	<b>8 424</b>
Further education and training colleges	2 454	2 631	2 819	2 974	8 424
<b>Human Settlements</b>	<b>17 028</b>	<b>17 084</b>	<b>18 533</b>	<b>20 410</b>	<b>56 027</b>
Human settlements development	17 028	17 084	18 533	20 410	56 027
<b>Public Works</b>	<b>614</b>	<b>607</b>	<b>624</b>	<b>786</b>	<b>2 017</b>
Expanded public works programme integrated grant for provinces	357	349	357	412	1 117
Social sector expanded public works programme incentive for provinces	258	258	268	375	900
<b>Social Development</b>	<b>–</b>	<b>29</b>	<b>48</b>	<b>48</b>	<b>124</b>
Substance abuse treatment	–	29	48	48	124
<b>Sport and Recreation South Africa</b>	<b>498</b>	<b>526</b>	<b>550</b>	<b>579</b>	<b>1 654</b>
Mass participation and sport development	498	526	550	579	1 654
<b>Transport</b>	<b>13 090</b>	<b>14 194</b>	<b>15 005</b>	<b>15 610</b>	<b>44 809</b>
Provincial roads maintenance	8 538	9 361	9 952	10 292	29 606
Public transport operations	4 553	4 833	5 053	5 318	15 203
<b>Total direct conditional grants</b>	<b>75 995</b>	<b>81 955</b>	<b>89 672</b>	<b>96 215</b>	<b>267 842</b>
<b>Indirect transfers</b>	<b>2 693</b>	<b>5 413</b>	<b>5 044</b>	<b>4 127</b>	<b>14 583</b>
<b>Basic Education</b>	<b>1 956</b>	<b>2 939</b>	<b>2 433</b>	<b>2 611</b>	<b>7 982</b>
School infrastructure backlogs	1 956	2 939	2 433	2 611	7 982
<b>Health</b>	<b>737</b>	<b>1 575</b>	<b>1 635</b>	<b>1 516</b>	<b>4 726</b>
National health	731	1 575	1 635	1 516	4 726
2014 African Nations Championship: health and medical services	6	–	–	–	–
<b>Human Settlements</b>	<b>–</b>	<b>899</b>	<b>975</b>	<b>–</b>	<b>1 875</b>
Human settlements development	–	899	975	–	1 875

### *Agriculture grants*

The *comprehensive agricultural support programme* aims to support newly established and emerging farmers, in particular subsistence, smallholder and previously disadvantaged farmers. From 2014/15, 70 per cent of the grant will be 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 in 2014/15 and 2015/16 include R507.4 million for the repair of flood damage to agricultural infrastructure. The grant amounts to R5.3 billion over the 2014 MTEF period.

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. Over the medium term, R207.5 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. This grant is allocated R1.4 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 so that their socioeconomic situation can be improved. The grant is allocated to the relevant provincial department and administered by that department or through a service-level agreement with municipalities. At least 20 per cent of the funds added to this grant in the 2013 MTEF must be used to set up dual service points in collaboration with provincial departments of basic education. Dual service points are libraries for both schools and the general public. The rest of the additional funding must be used to shift the libraries function between provinces and municipalities. The total grant amounts to R3.8 billion over the next three years.

### *Basic education grants*

The *education infrastructure grant* is used by provinces to construct, maintain and refurbish education infrastructure and schools. The grant totals R26.4 billion over the MTEF period, which includes R92.4 million previously allocated for the 2014 MTEF to repair school infrastructure damaged by floods. The infrastructure conditional grants are being reformed and incentives will be introduced to promote improved performance. This grant, together with the *health facility revitalisation grant*, will be the first grants to form part of this new approach. The reforms require provinces to meet certain prerequisites and have their infrastructure plans approved before they can receive allocations. The full amounts available for this grant in 2015/16 and 2016/17 have not been indicatively allocated per province because not all provinces have met these requirements. The remaining funds for the outer years of the MTEF are reflected as unallocated. Further details on these reforms are discussed in part 6 of this annexure.

The *national school nutrition programme* seeks to improve the nutrition of poor school children, enhance active learning capacity and improve attendance in schools. It provides a free daily meal to pupils in the poorest 60 per cent of schools (quintile 1 to 3). This grant is allocated R17.2 billion over the MTEF period.

The *technical secondary schools recapitalisation grant* provides for equipment and facilities in technical high schools. This grant has been extended to 2016/17 to address the growing need to recapitalise technical schools identified in provincial needs assessments. This grant is allocated R734.9 million over the 2014 MTEF period.

The *Dinaledi schools grant*, started in 2011/12, supports Dinaledi schools to improve the quality of learner performance in mathematics, physical science, life sciences and English as a first additional language. Dinaledi schools are schools in disadvantaged communities that perform well in mathematics and physical science. The grant is allocated R349.9 million over the 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 Grade 1 to 9. This grant is allocated R685.8 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. The grant is allocated R8 billion over the 2014 MTEF period.

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. From 2016/17, the funds will be allocated as part of the provincial equitable share. The grant has been allocated R280 million over the MTEF period.

#### *Cooperative governance grant*

The *provincial disaster grant* is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to provincial government at the start of the financial year. The grant allows for an immediate (in-year) release of funds to be disbursed by the centre after a disaster is declared, without the need for the transfers to first be gazetted. Over the MTEF period, R616.9 million is available for disbursement through this grant.

#### *Health grants*

The *national tertiary services grant* provides strategic funding to enable provinces to plan, modernise and transform tertiary hospital service delivery in line with national policy objectives. The grant operates in 26 hospitals across the nine provinces, concentrated in the urban areas of Gauteng and the Western Cape. These provinces receive the largest shares of the grant as they provide the largest proportion of high-level, sophisticated services for the benefit of the country's health sector. This grant is allocated R32 billion over the MTEF period.

The *health facility revitalisation grant* funds the construction and maintenance of health infrastructure. This grant was created in 2013/14 through the merger of three previous grants: the *health infrastructure grant*, the *hospital revitalisation grant* and the *nursing colleges and schools grant*. In 2013/14, the grant had separate ring-fenced components corresponding to the previous grants that it replaced. From 2014/15, these components fall away, giving even greater flexibility to provinces to shift funds between projects during the year so that delays in one project do not result in underspending on the grant as a whole. 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.

In the 2014 MTEF, R1.3 billion is added to this grant from the *national health grant* (an indirect grant) to enable provinces to accelerate and complete infrastructure projects under way. This grant also forms part of the reforms to provincial infrastructure grants that affect the *education infrastructure grant*. As detailed above, the reforms require provinces to meet certain prerequisites and have their infrastructure plans approved before they can receive allocations. The full amounts available for this grant in 2015/16 and 2016/17 have not been indicatively allocated per province because not all provinces have met these requirements. The remaining funds for the outer years of the MTEF are reflected as unallocated. The grant is allocated R16.3 billion over the MTEF period.

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 grant is allocated R7.3 billion over the medium term.

The *comprehensive HIV and Aids grant* enables the health sector respond to HIV/AIDS. It supports prevention programmes and specific interventions, including voluntary counselling and testing, prevention of mother-to-child transmission, post-exposure prophylaxis, antiretroviral treatment and home-based care. In addition to substantial increases to this grant and the provincial equitable share over the previous four MTEF periods, R1 billion is added to the grant in 2016/17 to cover the increased antiretroviral treatment take-up rate. This brings the baseline over the MTEF period to R42 billion.

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. Over the 2014 MTEF period, the grant has been allocated R221.9 million. This grant is complemented by the national health insurance window 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, upgrading and rehabilitation of new and existing health infrastructure, and to supplement expenditure on infrastructure delivered through public-private partnerships. The second component will be used to contract general practitioners from the private sector for national health insurance sites. It will also support 10 central hospitals to strengthen their patient information systems and develop and pilot alternative hospital reimbursement tools. The 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 this vaccine. Funds for the vaccine have been added to the provincial equitable share in 2016/17. The grant is allocated R4.7 billion over the MTEF period.

#### *Higher education and training grant*

The *further education and training colleges grant* was introduced in 2010/11 to protect provincial spending on these colleges while the legislative processes required to shift this function to national government are completed. From 2013/14, a portion of the grant was transferred directly to colleges as a subsidy from the Department of Higher Education and Training. An amount of R159.9 million has been added for the carry-through cost of increased employee compensation over the MTEF period. The total allocations are R2.6 billion in 2014/15, R2.8 billion in 2015/16 and R3 billion in 2016/17, bringing the total value of this grant to R8.4 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. The formula used to allocate the grant was reviewed during 2013 and a revised formula will be introduced from 2014/15 to ensure closer alignment between provincial allocations and the number of households with inadequate housing in each province. The new formula will be phased in over two years (2014/15 and 2015/16) to give provinces time to adjust to their new allocations.

Funds have also been added to the *human settlements development grant* to accelerate the upgrading of informal settlements in mining towns. A total of R2.4 billion is allocated over the 2014 MTEF period to 21 such towns in six provinces with significant informal settlement challenges and where a high proportion of their economic activity is based on the natural resources sector. A total of R325 million is also allocated over the MTEF period to repair infrastructure damaged by floods.

Government has prioritised the eradication of bucket sanitation systems. Amounts of R899.2 million in 2014/15 and R975.4 million in 2015/16 have been shifted into a new indirect version of the *human settlements development grant* so that the Department of Human Settlements can complete infrastructure on behalf of provinces. This indirect grant will focus on improving sanitation in areas where housing projects did not adequately provide for decent sanitation systems.

The human settlements function is due to be assigned to six metropolitan municipalities in 2014, in line with government's Outcome 8 target. When a municipality is assigned the function, all further *human settlements development grant* allocations for that city will be transferred directly to the municipality instead of the province. The grant's allocation totals R56 billion over the 2014 MTEF period.

#### *Public works grants*

The *expanded public works programme integrated grant for provinces* was revised in 2012 to be a schedule 5A grant. Allocations are now made available upfront based on meeting job targets in the preceding financial year rather than the in-year performance measures used previously. Transfers depend on provincial departments reporting on jobs created through the Expanded Public Works Programme and implementing labour-intensive projects. This grant is allocated R1.1 billion over the MTEF 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 has been amended to provide greater incentives for provincial departments to participate in the Expanded Public Works Programme and to measure the performance of each province relative to its peers and provide additional incentives to those that perform well. The revised model will be implemented from the 2014 MTEF onwards. This grant is allocated R900.2 million over the MTEF period.

#### *Social development grant*

The *substance abuse treatment grant* is a new grant administered by the Department of Social Development. It will run for three years before it is incorporated into the provincial equitable share. This grant aims to strengthen the harm-reduction programme by building public substance abuse treatment facilities in the four provinces that do not already have such facilities: Eastern Cape, Free State, Northern Cape and North West. The grant has been allocated R124 million over the 2014 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 provinces, with greater emphasis on provincial and district academies. This grant 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 2014/15. If this takes place, funds for this grant will be transferred directly to the assigned municipality. The grant is allocated R15.2 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 new formula based on provincial road networks, road traffic and weather conditions. These factors reflect the different costs of maintaining road networks in each province. The grant requires provinces to follow best practices for planning and to use and regularly update road asset management systems. From 2015/16, the grant will be based on performance. The model's indicators – vehicle operating costs and remaining asset lifespan – have been finalised and the performance component will inform future grant allocations. The total allocation for the MTEF is R29.6 billion. This includes allocations of R602.3 million and R178.4 million in the first two years of the 2014 MTEF for the repair of infrastructure damaged by floods. In addition, R803 million in 2014/15 and R840 million in 2015/16 has been allocated to repair roads that are heavily used in support of electricity production.

## Part 5: Local government fiscal framework and allocations

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

The 2013 division of revenue saw several major changes to the local government fiscal framework, including the introduction of a new formula for the local government equitable share, several new conditional grants and the use of updated data from the 2011 Census in allocating the *municipal infrastructure grant*. As several of these changes are still being phased in over the next few years, fewer changes are proposed in the 2014 MTEF. A review of local government conditional grants for infrastructure (discussed in part 6 of this annexure) is also likely to result in further changes in future years.

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 2014/15 budgets, and to promote better accountability and transparency by ensuring that all national allocations are included in municipal budgets.

### Changes to local government allocations

After accounting for all reductions and additions, direct transfers to local government decrease by a net amount of R3.8 billion in the 2014 MTEF. Indirect transfers to local government (allocations spent by national departments on behalf of municipalities) increase by R2.3 billion over the MTEF period, bringing the total decrease in local government allocations to R1.6 billion.

Changes to individual conditional grants are discussed in more detail below, including a new conditional grant to fund capacity in cities to manage the development of human settlements. The human settlements and public transport functions may be assigned to selected metropolitan municipalities during 2014/15. This will result in the funds for these functions – currently allocated to provinces and described in part 4 of this annexure – being transferred directly to affected municipalities.

Government's commitment to the expenditure limits set out in the 2013 Budget means that some items have to be reduced to make funding available for national priorities. As a result, the baselines of several conditional grants have been revised downward. Because these revisions are made to grants with a history of underspending, the impact on service delivery is minimised. Table W1.20 shows the reductions made to local government conditional grants to make resources available, as well as the technical revisions and additions to local government allocations over the 2014 MTEF period. No reductions were made to the local government equitable share.



**Table W1.20 Revisions to direct and indirect transfers to local government,  
2014/15 – 2016/17**

R million	2014/15	2015/16	2016/17	2014 MTEF Total revisions
<b>Technical adjustments</b>	<b>-580</b>	<b>-1 000</b>	<b>-1 000</b>	<b>-2 580</b>
<b>Direct transfers</b>	<b>-1 050</b>	<b>-1 359</b>	<b>-1 512</b>	<b>-3 921</b>
Municipal water infrastructure	-525	-1 292	-1 512	-3 328
Integrated national electrification programme	-460	–	–	-460
Public transport infrastructure	-158	-181	-455	-794
Public transport network operations	158	181	455	794
Rural households infrastructure	-66	-67	–	-133
<b>Indirect transfers</b>	<b>470</b>	<b>359</b>	<b>512</b>	<b>1 341</b>
Municipal water infrastructure	525	1 292	1 512	3 328
Integrated national electrification programme	460	–	–	460
Rural households infrastructure	66	67	–	133
Regional bulk infrastructure	-580	-1 000	-1 000	-2 580
<b>Additions to baselines</b>	<b>526</b>	<b>788</b>	<b>945</b>	<b>2 259</b>
<b>Direct transfers</b>	<b>442</b>	<b>438</b>	<b>445</b>	<b>1 325</b>
Integrated city development	105	116	135	356
Municipal disaster recovery	37	22	–	59
Municipal human settlements capacity	300	300	300	900
Expanded public works programme integrated grant for municipalities	–	–	10	10
<b>Indirect transfers</b>	<b>84</b>	<b>350</b>	<b>500</b>	<b>934</b>
Regional bulk infrastructure	84	350	500	934
<b>Reductions to baseline</b>	<b>-156</b>	<b>-501</b>	<b>-594</b>	<b>-1 251</b>
<b>Direct transfers</b>	<b>-156</b>	<b>-501</b>	<b>-594</b>	<b>-1 251</b>
Municipal infrastructure	–	-350	-500	-850
Urban settlements development	-50	-45	-35	-130
Expanded public works programme integrated grant for municipalities	-38	-42	–	-80
Infrastructure skills development	-50	-50	-50	-150
Energy efficiency and demand-side management	-19	-14	-9	-41
<b>Net change to local government allocations</b>	<b>-210</b>	<b>-713</b>	<b>-649</b>	<b>-1 572</b>

### Transfers to local government

Over the 2014 MTEF period, R296 billion will be transferred directly to local government and a further R27.4 billion has been allocated to indirect grants. Direct transfers to local government in 2014/15 account for 8.9 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government rises to 9.5 per cent of national non-interest expenditure. The value of direct transfers to local government grows at an average annual rate of 7.9 per cent over the MTEF period, which is above projected inflation.

**Table W1.21 Transfers to local government, 2010/11 – 2016/17**

R million	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Outcome			Revised estimate	Medium-term estimates		
<b>Direct transfers</b>	<b>60 905</b>	<b>68 251</b>	<b>76 430</b>	<b>83 670</b>	<b>90 815</b>	<b>100 047</b>	<b>105 187</b>
<b>Equitable share and related</b>	<b>30 541</b>	<b>33 173</b>	<b>37 139</b>	<b>39 789</b>	<b>44 490</b>	<b>50 208</b>	<b>52 869</b>
Equitable share formula <sup>1</sup>	26 761	29 289	32 747	35 093	39 410	44 895	47 282
RSC levy replacement	3 492	3 544	3 733	3 930	4 146	4 337	4 567
Support for councillor remuneration and ward committees	288	340	659	766	935	976	1 020
<b>General fuel levy sharing with metros</b>	<b>7 542</b>	<b>8 573</b>	<b>9 040</b>	<b>9 613</b>	<b>10 190</b>	<b>10 659</b>	<b>11 224</b>
<b>Conditional grants</b>	<b>22 822</b>	<b>26 505</b>	<b>30 251</b>	<b>34 268</b>	<b>36 135</b>	<b>39 181</b>	<b>41 094</b>
Infrastructure	20 871	24 643	27 923	31 053	32 582	35 324	36 722
Capacity building and other	1 951	1 862	2 329	3 214	3 553	3 857	4 372
<b>Indirect transfers</b>	<b>2 939</b>	<b>2 770</b>	<b>4 956</b>	<b>5 697</b>	<b>7 726</b>	<b>9 467</b>	<b>10 221</b>
Infrastructure	2 682	2 553	4 823	5 558	7 584	9 316	10 062
Capacity building and other	257	217	133	139	142	151	159
<b>Total</b>	<b>63 844</b>	<b>71 021</b>	<b>81 386</b>	<b>89 367</b>	<b>98 541</b>	<b>109 514</b>	<b>115 408</b>

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

### The local government equitable share

In terms of section 227 of the Constitution, local government is entitled to an equitable share of nationally raised revenue to enable it to provide basic services and perform its allocated functions. The local government equitable share is an unconditional transfer that supplements the 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 2014 MTEF period, the local government equitable share, including the *RSC/JSB levies replacement grant* and *special support for councillor remuneration and ward committees*, is worth R147.6 billion – R44.5 billion in 2014/15, R50.2 billion in 2015/16 and R52.9 billion in 2016/17.

#### 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 principles and objectives of the local government equitable share formula 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 own resources to afford basic administrative and governance capacity, and perform core municipal functions. It does this through three components:
  - The *institutional component* provides a subsidy for basic municipal administrative costs.
  - The *community services component* provides funds for 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 a *correction and stabilisation factor*, which ensures that all of the formula's guarantees can be met.

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

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

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

where

**LGES** is the local government equitable share

**BS** is the basic services component

**I** is the institutional component

**CS** is the community services component

**RA** is the revenue adjustment factor

**C** is the correction and stabilisation factor

### *The basic services component*

This component helps municipalities provide free basic water, sanitation, electricity and refuse removal services to households that fall below an affordability threshold. Municipalities prefer the formula's affordability measure (used to determine how many households should be targeted for free basic services) to be based on the level of two state old age pensions. When the 2011 Census was conducted, the state old age pension was worth R1 140 per month, 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. This 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 their budget process.

To account for the growth in households each year, the number of households per municipality is updated annually based on the growth in households reflected in each province in the General Household Survey conducted by Statistics South Africa. To account for the likelihood that municipalities within a province will grow at different rates, the growth rate of each municipality is based on the rate it experienced in the period between the 2001 and 2011 Censuses. However, the total number of households per province is rebalanced to match the provincial total in the General Household Survey. Statistics South Africa has advised the National Treasury that in the absence of official municipal level household estimates, this is a

credible method of estimating the household numbers per municipality needed for the formula. Statistics South Africa is researching possible methods for producing municipal-level data estimates. These estimates may be used to inform equitable share allocations in future.

The basic services component provides a subsidy of R293 per month in 2014/15 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 W1.22 and includes an allocation of 10 per cent for service maintenance costs.

**Table W1.22 Amounts per basic service allocated through the local government equitable share**

	Allocation per household below affordability threshold (Rands)			Total allocation per service (R millions)
	Operations	Maintenance	Total	
Energy	54.20	6.02	60.22	6 289
Water	83.78	9.31	93.09	9 722
Sanitation	68.40	7.60	76.00	7 937
Refuse	57.34	6.37	63.71	6 654
<b>Total basic services</b>	<b>263.72</b>	<b>29.30</b>	<b>293.03</b>	<b>30 603</b>

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](http://mfma.treasury.gov.za/Media_Releases/LGESDiscussions/Pages/default.aspx)).

The per household allocation for each of the basic services in Table W1.22 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 and other costs are updated based on the National Treasury's inflation projections.
- 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). Other costs are updated based on the National Treasury's inflation projections.
- The costs for sanitation and refuse are updated based on the National Treasury's inflation projections.

The allocations for each service for 2015/16 and 2016/17 are based on forward projections of the cost factors described above.

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 should transfer funds to the provider in terms of section 28 of the Division of Revenue Act. The basic

services component is worth R30.6 billion in 2014/15 and accounts for 77.7 per cent of the value of the local government equitable share.

#### *The institutional component*

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

This component consists of a base allocation of R5.3 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 for elections and composition). The base component acknowledges that there are some fixed costs that all municipalities face.

#### **The institutional component**

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

The institutional component accounts for 8.9 per cent of the equitable share formula and is worth R3.5 billion in 2014/15. 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 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.

The allocation for this component is split between district and local municipalities, because both provide community services. In 2014/15, the allocation to district and metropolitan municipalities for municipal health and related services is R7.39 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 13.4 per cent of the equitable share formula and is worth R5.3 billion in 2014/15.

### *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 receive no 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. 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 and 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.

The new equitable share formula and the updated 2011 Census data used in the formula mean that some municipalities 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 (2014/15) they will experience a 40 per cent change, and so on, until in the fifth year their allocation is determined entirely through the new formula.

To provide for this phase-in 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 to ensure that all of the available funds are allocated. It automatically determines the value of the allocation per council seat in the institutional component and the allocation per household for other services in the community services component to ensure that it balances. The basic services component is determined by the number of poor households per municipality and the estimated cost of free basic services, so 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.

### *Potential future refinements to the formula*

Although the local government equitable share formula has been through extensive consultations and technical work, national government is still working 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 different circumstances. Both SALGA and the FFC are conducting research projects that could provide the basis for calculating such variables in future.
- 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. This component therefore depends on the compilation and maintenance of a credible and comprehensive database on the assignment of the fire services function. The National Disaster Management Centre under the Department of Cooperative Governance is compiling this database.

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.

### *Details of new allocations*

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

## **Other unconditional allocations**

### *RSC/JSB levies replacement grant*

Before 2006, district municipalities raised levies on local businesses through an RSC or JSB levy. This source of revenue was replaced in 2006/07 with the *RSC/JSB levies replacement grant*, which was allocated to all district and metropolitan municipalities based on the amounts they had previously collected through the levies (the *RSC/JSB levies replacement grant* for metropolitan municipalities has since been replaced by the sharing of the general fuel levy). The value of the grant increases every year. In 2014/15, the grant increases by 9 per cent a year for district municipalities authorised for water and sanitation and 3 per cent for unauthorised district municipalities. The different rates recognise the various service delivery responsibilities of these district municipalities.

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

Councillors' salaries are subsidised in poor municipalities. The total value of the support provided in 2014/15 is R934.6 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 determined by the classification system used in the Government Gazette, which determines the upper limits of salaries, allowances and benefits of different members of municipal councils. The gazette, published annually by the Minister of Cooperative Governance and Traditional Affairs, classifies municipal councils into six grades based on their total income and population size. Special support is provided to the lowest three grades of municipal councils (the smallest and poorest municipalities). All subsidy levels are based on the gazetted upper maximum levels for part-time councillors. The gazette issued on 29 January 2014 includes a shift to the use of 2011 Census data in determining the grades of municipal councils. Because it takes time for municipalities to calculate their grades and confirm these with provincial Members of the Executive Council for local government, the municipal grades used for allocations in 2014/15 do not account for these updates. The National Treasury, together with the Department of Cooperative Governance, will examine the impact of the use of Census 2011 data on municipal grades before determining the 2015/16 allocations for councillor remuneration. Each municipality in grades 1 to 3 receives an allocation to provide stipends of R500 per month to 10 members of each ward committee in their municipality. Each municipality's allocation for this special support is published in the appendices to the Division of Revenue Bill.

## **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 R36.1 billion in 2014/15 to R39.2 billion in 2015/16 and R41.1 billion in 2016/17.

### **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 R131.6 billion over the 2014 MTEF period.



**Table W1.23 Infrastructure transfers to local government, 2010/11 – 2016/17**

R million	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Outcome			Revised estimate	Medium-term estimates		
<b>Direct transfers</b>	<b>20 871</b>	<b>24 643</b>	<b>27 923</b>	<b>31 053</b>	<b>32 582</b>	<b>35 324</b>	<b>36 722</b>
Municipal infrastructure	9 704	11 443	13 879	14 355	14 684	15 098	15 767
Municipal water infrastructure	–	–	–	403	534	1 380	1 302
Urban settlements development	4 968	6 267	7 392	9 077	10 285	10 655	11 232
Integrated national electrification programme	1 033	1 097	1 151	1 635	1 105	2 056	2 165
Public transport infrastructure	3 700	4 612	4 884	4 669	4 968	5 098	5 104
Neighbourhood development partnership	832	738	578	598	591	600	632
Integrated city development	–	–	–	40	255	266	293
2010 FIFA World Cup stadiums development	302	–	–	–	–	–	–
Rural roads asset management systems	10	35	37	52	75	98	103
Rural households infrastructure	–	–	–	107	48	51	125
Municipal disaster recovery	320	450	–	118	37	22	–
<b>Indirect transfers</b>	<b>2 682</b>	<b>2 553</b>	<b>4 823</b>	<b>5 558</b>	<b>7 584</b>	<b>9 316</b>	<b>10 062</b>
Integrated national electrification programme	1 720	1 165	1 879	2 141	2 948	3 680	3 875
Neighbourhood development partnership	50	50	80	55	58	55	52
Regional bulk infrastructure	851	1 260	2 523	3 261	3 987	4 222	4 624
Municipal water infrastructure	–	–	–	–	525	1 292	1 512
Rural households infrastructure	62	78	341	101	66	67	–
<b>Total</b>	<b>23 553</b>	<b>27 196</b>	<b>32 746</b>	<b>36 611</b>	<b>40 165</b>	<b>44 639</b>	<b>46 784</b>

### *Municipal infrastructure grant*

The largest infrastructure transfer is made through the *municipal infrastructure grant*, which supports government's aim to expand service delivery and alleviate poverty. The grant funds the provision of infrastructure for basic services, roads and social infrastructure for poor households in all non-metropolitan municipalities. The total allocations for this grant increase to R14.7 billion in 2014/15, R15.1 billion in 2015/16 and R15.8 billion in 2016/17.

The *municipal infrastructure grant* is allocated through a formula with a vertical and horizontal division. The vertical division allocates resources between sectors and the horizontal division takes account of poverty, backlogs, and municipal powers and functions in allocating funds to municipalities. The five main components of the formula are described in the box below. A minimum allocation of R5 million ensures that a reasonable allocation is made to small municipalities.

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

- C** Constant to ensure increased minimum allocation for small municipalities (this allocation is made to all municipalities)
- B** Basic residential infrastructure (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 23 priority districts identified by government

For the 2014 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 W1.24 sets out the proportion of the grant accounted for by each component of the grant formula. The C-component provides a R5 million base to all municipalities receiving *municipal infrastructure grant* allocations.

**Table W1.24 Municipal infrastructure grant allocations per sector**

Municipal infrastructure grant (formula)	Component weights	Proportion of municipal infrastructure grant per sector	Value of component 2014/15 (R millions)
<b>B-component</b>	<b>75.0%</b>		<b>10 086</b>
Water and sanitation	72.0%	54.0%	7 262
Roads	23.0%	17.3%	2 320
Other	5.0%	3.8%	504
<b>P-component</b>	<b>15.0%</b>		<b>2 017</b>
Sports	100.0%	15.0%	2 017
<b>E-component</b>	<b>5.0%</b>	<b>5.0%</b>	<b>672</b>
<b>N-component</b>	<b>5.0%</b>	<b>5.0%</b>	<b>672</b>
<b>Constant</b>			<b>1 235</b>
<b>Total</b>			<b>14 684</b>

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 2014 MTEF.

The *municipal infrastructure grant* has been reduced by R350 million in 2015/16 and R500 million in 2016/17, less than 2.3 per cent and 3.1 per cent of the value of the grant in each respective year. These funds are added to the *regional bulk infrastructure grant*, allowing more resources to be invested in the bulk water and sanitation infrastructure needed for future household connections funded through the *municipal infrastructure grant*.

Government has prioritised the eradication of bucket sanitation systems. Although substantial funds are already available for the upgrading of sanitation infrastructure through the *municipal infrastructure grant*, these funds have not always been prioritised towards bucket eradication at a local level. To ensure this national priority is also prioritised in municipalities, conditions will be added to the grant to require municipalities with many households served by bucket systems to prioritise sanitation upgrades. If municipalities fail to make this a priority or are unable to implement projects, funds may be converted to an indirect grant for national government to provide infrastructure on behalf of the municipality.

#### *Urban settlements development grant*

The *urban settlements development grant* is an integrated source of funding to 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 upgrade informal settlements. Cities report their progress on these projects against the targets set in their service delivery and budget implementation plans. The grant has been reduced by R50 million in 2014/15, R45 million in 2015/16 and R35 million in 2016/17. These reductions – of less than 0.5 per cent of the total grant allocation in any year – will be used to fund other priorities in urban development. The *urban settlements development grant* is allocated a total of R32.2 billion over the 2014 MTEF period.

To accelerate the eradication of bucket sanitation backlogs, conditions will be added to the *urban settlements development grant* to require metropolitan municipalities to prioritise this commitment in metropolitan municipalities that still use bucket systems. If municipalities fail to make this a priority or are unable to implement projects, funds may be converted to an indirect grant for national government to provide infrastructure on behalf of the municipality.

#### *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 Affairs, provides funding for various projects, including the construction of new infrastructure and the refurbishment and extension of existing water schemes. Although this grant was implemented in 2013/14 as a direct grant (schedule 5B to the Division of Revenue Act), in the 2014 MTEF it will have both a direct and indirect grant component (schedule 6B to the Division of Revenue Act). 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 Affairs will implement projects on behalf of municipalities through an indirect grant. The direct and indirect grants have a total allocation of R6.5 billion over the 2014 MTEF period.

#### *The public transport infrastructure grant*

The *public transport infrastructure grant* is administered by the Department of Transport. This grant was previously the *public transport infrastructure and systems grant*. The operational portion of the previous grant has been separated as the *public transport network operations grant* since 2013/14, meaning that the infrastructure grant will only fund capital expenditure. The grant aims to help cities create new and improve existing public transport and non-motorised transport infrastructure. This includes the provision of infrastructure for bus rapid transit systems. The grant has an allocation of R15.2 billion over the 2014 MTEF period.

#### *The 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. Rural district municipalities are funded to collect data on the condition and usage of all the municipal roads in their area so that the spending of infrastructure funds (from the *municipal infrastructure grant* and elsewhere) can be properly planned to maximise their impact. Over the 2014 MTEF period, this grant will be extended to all district municipalities. The grant has an allocation of R275.9 million over this period.

#### *The 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. This grant was implemented as a direct grant in 2013/14, but from 2014/15 the grant will have 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 national Department of Human Settlements will implement projects on behalf of municipalities through an indirect grant. The grant has an allocation of R356.1 million over the 2014 MTEF period.

#### *The neighbourhood development partnership grant*

The *neighbourhood development partnership grant* is administered by the National Treasury and has two components in the 2014 MTEF. One focuses on urban areas and the other focuses on towns and rural areas. The urban component supports and facilitates the development of urban network plans to create a platform for third-party public and private investment to improve the quality of life in township urban hubs. Projects in towns and rural areas will be implemented in conjunction with the Department of Rural

Development to support catalytic projects in these areas. The grant has an allocation of R2 billion over the MTEF period, which consists of R1.8 billion for the capital (direct) grant and R165.3 million for the technical assistance (indirect) grant.

#### *Integrated cities development grant*

In its second year, this grant provides a financial incentive for metropolitan municipalities to integrate and focus their use of all available infrastructure investment and regulatory instruments to achieve a more compact and efficient urban spatial form. Cities are required to submit built environment performance plans for this grant. The plan provides a brief strategic overview of a 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. From 2014/15, 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. This grant receives additional funding of R356 million over the 2014 MTEF period, bringing the total value of the grant to R814 million.

#### *The integrated national electrification programme*

To sustain progress in connecting poor households to electricity, government will spend R15.8 billion over the next three years on the national electrification programme. Of this, municipalities will spend R5.3 billion and Eskom will spend R10.5 billion on behalf of municipalities through an indirect grant. This programme has been instrumental in providing 85 per cent of all households with access to electricity, as reported in the 2011 Census.

#### *The regional bulk infrastructure grant*

This grant supplements the financing of the social component of regional bulk water and sanitation infrastructure. It targets projects that cut across several municipalities or are 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. The grant is allocated additional funding of R934 million over the 2014 MTEF period to accelerate the implementation of projects. An amount of R2.6 billion is shifted out of this grant over the 2014 MTEF period to fund water boards' construction of bulk infrastructure. These projects still form part of the Department of Water Affairs' larger programme of subsidising the construction of regional bulk infrastructure for water and sanitation, so the funds are used to achieve the same objective. However, because the infrastructure will be owned and operated by water boards, it cannot be classified as an indirect transfer to municipalities. This brings the total value of the grant to R12.8 billion over the 2014 MTEF period.

#### *Municipal disaster recovery grant*

The *municipal disaster recovery grant* was introduced in the 2013 Division of Revenue Amendment Bill. 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 2014 MTEF period, R59.1 million is made available to repair infrastructure damaged by floods that took place in 2012 and 2013.

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

Capacity-building grants help to develop municipalities' management, planning, technical, budgeting and financial management skills. The *expanded public works programme integrated grant for municipalities* promotes increased labour intensity in municipalities and the *water services operating subsidy grant* supports national water schemes that are being transferred to municipalities. A total of R12.2 billion is

allocated to direct and indirect capacity-building grants and other current transfers to local government over the 2014 MTEF period.

**Table W1.25 Capacity building and other current transfers to local government, 2010/11 – 2016/17**

R million	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Outcome			Revised estimate	Medium-term estimates		
<b>Direct transfers</b>	<b>1 951</b>	<b>1 862</b>	<b>2 329</b>	<b>3 214</b>	<b>3 553</b>	<b>3 857</b>	<b>4 372</b>
Municipal systems improvement	212	220	230	240	252	261	275
Local government financial management	365	385	403	425	449	470	495
Municipal human settlements capacity	–	–	–	–	300	300	300
Public transport network operations	–	–	–	881	903	1 043	1 362
2010 FIFA World Cup host city operating	210	–	–	–	–	–	–
2013 African Cup of Nations host city operating	–	–	123	–	–	–	–
2014 African Nations Championship host city operating	–	–	–	120	–	–	–
Water services operating subsidy	664	542	562	411	450	470	495
Expanded public works programme integrated grant for municipalities	280	364	662	611	595	619	706
Infrastructure skills development	–	39	75	99	104	129	139
Energy efficiency and demand-side management	220	280	200	181	137	188	204
Municipal disaster	–	32	73	247	364	376	396
<b>Indirect transfers</b>	<b>257</b>	<b>217</b>	<b>133</b>	<b>139</b>	<b>142</b>	<b>151</b>	<b>159</b>
Energy efficiency and demand-side management	109	119	–	–	–	–	–
Water services operating subsidy	148	98	133	139	142	151	159
<b>Total</b>	<b>2 208</b>	<b>2 079</b>	<b>2 461</b>	<b>3 353</b>	<b>3 695</b>	<b>4 008</b>	<b>4 531</b>

#### *Municipal human settlements capacity grant*

This new grant, administered by the Department of Human Settlements, funds capacity for the development of human settlements in the six metropolitan municipalities targeted for assignment of the housing function in 2014. This grant has been allocated R300 million in 2014/15, R300 million in 2015/16 and R300 million in 2016/17.

#### *Financial management grant*

The *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. Total allocations for the *financial management grant* amount to R1.4 billion over the 2014 MTEF period.

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

The *public transport network operations grant* subsidises the operational costs of public transport systems built through the *public transport infrastructure grant*. Previously, both grants formed part of the *public transport infrastructure and systems grant*. This grant has been split into separate infrastructure and operational grants to provide more transparency on what is being funded and to provide cities with greater

certainty about the levels of operational funding they will receive to support their new public transport networks. The *public transport network operations grant* is allocated R3.3 billion over the 2014 MTEF period.

#### *Infrastructure skills development grant*

The *infrastructure skills development grant*, now in its third year, 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/professional body within their respective built environment fields. The interns can be hired by any municipality at the end of their internship. The grant has an allocation of R372.4 million over the 2014 MTEF period.

#### *Municipal systems improvement grant*

The *municipal systems improvement 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 is administered by the Department of Cooperative Governance and is allocated R788.1 million over the 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. The grant 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. The grant has an allocation of R1.9 billion over the 2014 MTEF period.

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

The *energy efficiency and demand-side management grant* was introduced to address load shedding in 2008. It funds selected municipalities to implement energy-efficiency projects, with a focus on public lighting and energy-efficient municipal infrastructure. In the 2014 MTEF, the Department of Energy will monitor and verify grant-funded projects to ensure greater consistency in the procurement of accredited verification services. The grant is allocated R529 million over the MTEF period.

#### *The water services operating subsidy*

The *water services operating subsidy* is a grant with schedule 5B (direct) and schedule 6B (in-kind) components to fund water schemes. The direct grant funds the refurbishment and upgrading of schemes, while the indirect grant funds the costs of staff that have not been transferred to municipalities. In the 2014 MTEF, R1.9 billion is allocated for the *water services operating subsidy* (direct and indirect transfers). It is a transitional grant that is expected to continue until 2016/17, subject to review by the National Treasury and the Department of Water Affairs.

#### *Municipal disaster grant*

The *municipal disaster grant*, introduced in the 2011 MTEF, is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to local government. The centre is able to disburse disaster-response funds immediately – without the need for the transfers to be gazetted first. Over the 2014 MTEF period, this grant is allocated R1.1 billion.

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

### Provincial infrastructure transfers

Reforms to the health and education infrastructure transfers to provinces began to be implemented in 2013/14. These reforms aim to address planning and procurement failures in infrastructure delivery by introducing incentives, which will promote good infrastructure delivery management system practices and complement existing capacity support programmes.

From 2015/16, provinces will only be eligible to receive allocations for the *health facility revitalisation grant* and the *education infrastructure grant* if they meet certain planning criteria. Provinces are now required to bid for their infrastructure grant allocations two years in advance (during 2013/14, provinces submitted bids for their 2015/16 allocations). A set of bidding prerequisites and criteria are used to evaluate bids. Unsuccessful bids are not funded and those allocations are pooled in an unallocated fund, for which provinces with successful bids can apply. The 2013 Division of Revenue Act required provinces to complete and submit plans and bids during 2013/14 as part of the first approval process. The 2014 Division of Revenue Bill outlines the requirements for the second approval process, which will determine the final allocations in 2015/16.

#### *Approval processes*

There are two approval processes before a final allocation is made. First, provinces are required to submit an asset management plan, an infrastructure programme management plan and a supporting construction procurement strategy. In the second approval process, conducted for the first time during 2014/15, successful departments will prepare project proposals and longer-term asset management plans. These will be assessed to confirm each province's allocation (confirmed by an allocation letter from the National Treasury). The province will then be instructed to proceed with tender procedures.

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

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

#### *Progress to date*

This process is being implemented for the first time to determine allocations for the *health facility revitalisation grant* and the *education infrastructure grant* for 2015/16. Departments that have not complied with the submission requirements of the 2013 Division of Revenue Act will only be allocated funds for existing projects in 2015/16, and not for any new projects. This reflects the principle of using performance-based allocations that these reforms promote. The baseline allocations per province will be reflected in the 2014 Division of Revenue Bill as partially unallocated for 2015/16 and fully unallocated for 2016/17. These allocations will be finalised after the second approval process during 2014.

During 2014/15, provinces will also submit applications for the first part of the approval process to determine their grant allocations for 2016/17.

### Local government infrastructure transfers

Infrastructure grants account for 40 per cent of transfers to local government and amount to over R40 billion in 2014/15 alone, following substantial real growth in recent years. Many of these grants are

the government's primary mechanisms for funding infrastructure and essential services such as water, sanitation, electricity and roads. The consistent growth in allocations reflects government's prioritisation of these services. However, the 2011 Census revealed that despite improvements in access to services, the pace of these improvements does not always reflect the large increases in allocations over the past decade.

The local government infrastructure grant system is being reviewed to investigate the efficiency and effectiveness of these grants. The review stems from the 2011 Census data and calls for reform across government and by other stakeholders. For example, the FFC has raised concerns about the proliferation of grants, parliamentary committees have issued caution over the frequent underspending on infrastructure grants, and sector departments and municipalities have raised the issue of funding gaps in the grant system.

This review of local government infrastructure grants was announced in the 2013 Budget and the Budget Forum endorsed its terms of reference in October 2013. The National Treasury is leading the review in collaboration with the Department of Cooperative Governance, the Department of Performance, Monitoring and Evaluation, the FFC and SALGA through a working group and steering committee. In addition, extensive plans are in place for municipal consultation through workshops and online questionnaires in early 2014. National sector departments will also be consulted. Using these inputs from national and municipal stakeholders, in addition to extensive data analysis and research into domestic and international literature, an evidence base is being built to inform policy decisions regarding changes to the grant system. The current structure's development was ad hoc in its approach, resulting in many different grants with various overlapping responsibilities. It is envisaged that this collaborative and research-based process will introduce a clear grant system structure.

By October 2014, the review's working group and steering committee will condense the analysis and evidence into a set of recommendations to be presented to the Budget Forum. These proposals should set out how to improve the efficiency and effectiveness of the infrastructure grant system, but no conclusions can be pre-empted or ruled out before the necessary objective analysis is conducted. Recommendations could involve, for example, the merging of current grants, changes in the administration of grants, or reforms to the Division of Revenue Act. After the Budget Forum and Cabinet have made changes and given approval, the review's recommendations will be communicated clearly to all stakeholders before they are implemented, starting in the 2015 Budget.

## **Municipal taxation**

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

The Municipal Property Rates Act (2004) and the Municipal Fiscal Powers and Functions Act (2007) regulate municipal fiscal powers and functions.

### *Municipal Property Rates Act*

The Municipal Property Rates Act regulates the power of municipalities to impose rates on properties. The Department of Cooperative Governance administers the act, monitoring municipalities' compliance with the act and its regulatory framework periodically, and guiding non-compliant municipalities to comply with the provisions of the act and its regulations. The department introduced the Municipal Property Rates Amendment Bill to Parliament in September 2013 to strengthen the regulatory, monitoring and reporting provisions of the act, which in turn will improve its implementation and minimise legal ambiguities. As at February 2014, Parliament has already received public submissions on the bill, held public hearings and considered the bill.



### *Development charges*

A development charge is a once-off infrastructure access fee imposed on a land owner as a condition of approval of a land development that will substantially increase the use of or need for municipal infrastructure engineering services. There is currently no legislation that adequately defines development charges and recognises their unique character as a multi-sector and upfront infrastructure charge.

The National Treasury is amending the Municipal Fiscal Powers and Functions Act to incorporate the regulation of development charges. A national draft policy framework that will give expression to the implementation of development charges has been developed and consultations with various stakeholders are under way.

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

The sharing of the general fuel levy is a direct charge that is formalised annually through the Government Gazette under schedule 1 of the Taxation Laws Amendment Act (2009). It was introduced in 2009/10 as a permanent replacement to the former RSC and JSB levies for metropolitan municipalities, in addition to the VAT reforms introduced in 2006. District municipalities still receive the *RSC/JSB levies replacement grant*.

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

Several concerns have been raised by metropolitan municipalities since the introduction of the sharing of the general fuel levy. First, changes in the volume of fuel sales from one year to another can result in significant changes to municipal allocations, making it difficult for cities to budget for revenue from this source over the medium term. From 2014/15, a new phase-in approach will be introduced for the levy's outer year allocations. This will enhance stability, allowing metropolitan municipalities to budget for revenue from the sharing of the general fuel levy over the medium term.

Second, cities have raised concerns about the long-term incentive effects of sharing a revenue source based on fuel consumption, when cities are mandated to encourage the use of public transport. The National Treasury is reviewing its own sources of revenue for metropolitan municipalities to explore options that complement and/or replace some existing own sources of revenue, including the sharing of the general fuel levy.

**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 2014 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
- 2014 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving provincial departments
- Process for approval of business plans for 2015/16

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 2014 Division of Revenue Bill is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2014/15 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

## AGRICULTURE, FORESTRY AND FISHERIES GRANTS

<b>Comprehensive Agriculture Support Programme Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Forestry and Fisheries (Vote 26)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To create a favourable and supportive agricultural services environment for the farming community, in particular subsistence, smallholder and previously disadvantaged commercial farmers</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land 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</li> <li>• To address damage to infrastructure caused by floods</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Broadened access to agricultural support for subsistence, smallholder and previously disadvantaged commercial farmers</li> <li>• Improved household and national food security</li> <li>• Improved farming efficiency</li> <li>• Increased wealth creation, and sustainable employment in rural areas</li> <li>• Increased access to markets by beneficiaries of Comprehensive Agriculture Support Programme (CASP)</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Farmer supported per category (subsistence, smallholder and black commercial farmers)</li> <li>• Youth, women and farmers with disabilities supported through CASP</li> <li>• On-and-off farm infrastructure provided and repaired</li> <li>• Beneficiaries of CASP trained on farming methods</li> <li>• Beneficiaries of CASP accessing markets</li> <li>• Jobs created</li> <li>• Extension personnel recruited and maintained in the system</li> <li>• Extension officers upgrading qualifications at various institutions</li> <li>• Successful partnerships created to support farmers</li> <li>• Hectares of land ploughed and planted</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 4: Decent employment through inclusive economic growth</li> <li>• Outcome 5: A skilled and capable work force to support an inclusive growth path</li> <li>• Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 70 per cent of CASP infrastructure grant funds should be allocated to food production initiatives (crop and livestock production) in support of the Fetsa Tlala programme</li> <li>• Provinces to adhere to the CASP Standard Operating Procedure (SOP) framework when implementing projects</li> <li>• Only business plans approved by established committees and authorities should receive funds from the CASP grant</li> <li>• All assisted farmers should be listed in the provincial and national farm registers</li> <li>• The provincial department to confirm human resources capacity to implement CASP business plan by 28 March 2014</li> <li>• 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</li> <li>• Funds will be transferred as per the disbursement schedule approved by National Treasury</li> <li>• Provinces to inform the national transferring officer 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 national transferring officer before they are implemented</li> <li>• 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</li> <li>• Additional funds have been added to this grant for the reconstruction and rehabilitation of infrastructure damaged by floods in the 2011/12 and 2012/13 financial years</li> <li>• Should the cost of repairing the affected infrastructure exceed the amounts earmarked below, provinces may not fund this shortfall out of their remaining allocation of this conditional grant. The following amounts per province must be used for the repair of infrastructure damaged by natural disasters declared in the Government Gazette and as assessed by the National Disaster Management Centre (NDMC): <ul style="list-style-type: none"> <li>○ Eastern Cape: R3 million</li> <li>○ Free State: R8.9 million</li> <li>○ Gauteng: R4.5 million</li> <li>○ Limpopo: R25.2 million</li> <li>○ Mpumalanga: R1.3 million</li> <li>○ Northern Cape: R262.5 million</li> <li>○ North West: R4.5 million</li> <li>○ Western Cape: R183.9 million</li> </ul> </li> </ul>

<b>Comprehensive Agriculture Support Programme Grant</b>	
	<ul style="list-style-type: none"> <li>• 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)</li> <li>• 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</li> <li>• Quarterly performance reports on disaster allocations must be submitted to the NDMC and DAFF</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The formula used to allocate funds is a weighted average of the following variables: CASP performance, land area (ha), restituted land delivered, redistributed land delivered and current benchmarks on production and national policy imperatives</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The funding originated with the special poverty allocations made by national government for a specific purpose</li> <li>• The responsibility for the programme rests with DAFF while provincial departments of agriculture are implementing agents</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R1 535 million to provinces</li> <li>• R1 574 million available (including provincial roll-overs) and R1 261 million (80.1 per cent) was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 59 286 beneficiaries were supported</li> <li>• 13 684 jobs created</li> <li>• 20 506 farmers trained in targeted training programmes</li> <li>• A total of 235 extension officers were recruited nationally</li> <li>• A total of 714 extension officers were registered for qualification upgrading</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2016/17</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R1 861 million, 2015/16: R1 688 million, and 2016/17: R1 757 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four installments: 24 April 2014, 21 August 2014, 23 October 2014, and 22 January 2015</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2014/15</li> <li>• Set norms and standards for the implementation of the grant during Ministerial Technical Committee on Agriculture and Quarterly Review Meetings</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation through project site visits and provide support on a monthly and quarterly basis</li> <li>• Submit monthly financial reports to National Treasury 20 days after the end of each month</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Provinces to adhere to the approved CASP Standard Operating Procedure (SOP) framework</li> <li>• Provinces to implement the approved CASP business plans</li> <li>• Monitor project implementation and evaluate the impacts of projects in achieving the CASP goals</li> <li>• Submit quarterly performance reports on disaster allocations to the Provincial Disaster Management Centre and DAFF, within 30 days after the end of each quarter</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provide provincial departments with business plan format guidelines, criteria and outputs as prescribed by National Treasury by 29 May 2014</li> <li>• Submission of provincial and individual CASP business plans by provinces on 30 September 2014</li> <li>• Engagement with provinces on submitted business plans during October 2014 prior to National Assessment Panel (NAP)</li> <li>• Evaluation and recommendation of business plans by NAP during November 2014 and February 2015</li> <li>• Send funding agreements to provinces by February/March 2015 to be signed by HoDs, CFOs, and CASP coordinators</li> <li>• Approval of business plans by the Minister of Agriculture, Forestry and Fisheries, before 31 March 2015</li> <li>• Inform provinces of approval of the business plans in March or April 2015</li> <li>• Approval by the Director General regarding 2015 business planning process compliance during April 2015, and send to National Treasury Director General by April 2015</li> </ul>

<b>Ilima/Letsema Projects Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Forestry and Fisheries (Vote 26)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To reduce poverty through increased food production initiatives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased production efficiency</li> <li>• Increased agricultural production at both household and national level</li> <li>• Improved farm income</li> <li>• Maximised job opportunities and reduced poverty</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Hectares (ha) planted and ploughed</li> <li>• Tonnes produced within agricultural development corridors, e.g. maize and beans</li> <li>• Beneficiaries/farmers supported by the grant per category</li> <li>• Hectares (ha) of rehabilitated and expanded irrigation schemes</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 4: Decent employment through inclusive economic growth</li> <li>• Outcome 5: A skilled and capable work force to support an inclusive growth path</li> <li>• Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outputs indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Monitoring and evaluation</li> <li>• Risks and mitigation strategies</li> <li>• Exit strategies (especially for projects in completion)</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 100 per cent of Ilima/Letsema Projects grant should be allocated to support food production (crop and livestock production), this will also include infrastructure that unlocks production e.g. rehabilitation of irrigation schemes</li> <li>• Vulnerable households, smallholder and previously disadvantaged commercial farmers should be supported by this grant</li> <li>• Provincial departments to confirm human resources capacity to implement Ilima/Letsema business plans on or before 28 March 2014</li> <li>• All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the Division of Revenue Act (DoRA) when executing projects as well as for reporting purposes</li> <li>• Funds will be transferred as per the payment schedule approved by National Treasury</li> <li>• Provinces to inform the national transferring officer 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 national transferring officer before they are implemented</li> <li>• 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 his/her representative</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The formula used to allocate funds is a weighted average of the Land Agrarian Reform Programme priority areas and targeted areas for increased food production</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The funding originated with the special poverty allocations made by national government for a specific purpose</li> <li>• The responsibility for the programme rests with Department of Agriculture, Forestry and Fisheries (DAFF) while provincial departments of agriculture are implementing agents</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R415 million and transferred R415 million, with R400 million (91 per cent) spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 18 244 jobs were created</li> <li>• 134 396 beneficiaries were supported by the programme</li> <li>• 93 085 households were supported with starter packs and production inputs</li> <li>• 107 075 hectares of land planted</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2016/17</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R461 million, 2015/16: R482 million, and 2016/17: R507 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four installments: 24 April 2014, 21 August 2014, 23 October 2014, and 22 January 2015</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2014/15</li> <li>• Set norms and standards for the implementation of the grant during Intergovernmental Technical</li> </ul>

<b>Ilima/Letsema Projects Grant</b>	
	<p>Committee on Agriculture – quarterly review meetings</p> <ul style="list-style-type: none"> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation through project site visits and provide support on monthly and quarterly basis</li> <li>• Submit monthly financial reports to National Treasury 20 days after the end of each month</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Submit the allocation criteria, 2015 MTEF provincial allocations and the final conditional grant framework to National Treasury by 5 December 2014 or as requested by National Treasury</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces to adhere to the conditions of this framework</li> <li>• Provinces to report monthly (financial) and quarterly (non-financial) on the progress of the projects</li> <li>• Provinces to implement the Ilima/Letsema business plans as approved</li> <li>• All receiving departments must abide by the PFMA, Treasury Regulations and the Division of Revenue Act when executing projects as well as for reporting purposes</li> <li>• Provinces to inform the national transferring officer 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 national transferring officer before they are implemented</li> <li>• Monitor project implementation and evaluate the impacts of projects in achieving Ilima/Letsema goals</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provide provincial departments with business plan format guidelines, criteria and outputs as prescribed by National Treasury by 29 May 2014</li> <li>• Submission of provincial and individual Ilima/Letsema business plans by provinces on 30 September 2014</li> <li>• Engagement with provinces on submitted business plans during October 2014 prior to National Assessment Panel (NAP)</li> <li>• Evaluation and recommendation of business plans by NAP between November 2014 and February 2015</li> <li>• Send funding agreements to provinces by February/March 2015 to be signed by HoDs, CFOs, and CASP/Ilima/Letsema coordinators</li> <li>• Approval of business plans by the Minister of Agriculture, Forestry and Fisheries before 31 March 2015</li> <li>• Inform provinces of approval of the business plan in March/April 2015</li> <li>• Approval by the Director General (DG) regarding DoRA 2015 business planning process compliance during April 2015 and sent to National Treasury DG by April 2015</li> </ul>

<b>Land Care Programme Grant: Poverty Relief and Infrastructure Development</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Forestry and Fisheries (Vote 26)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To optimise productivity and sustainable use in community based natural resources management leading to greater productivity, food security, job creation and better quality of life for all</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To promote sustainable use and management of natural resources by engaging in the initiatives that supports the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved veld carrying capacity and livestock productivity</li> <li>• Improved production potential of arable land leading to increased production</li> <li>• Improved quantity and quality of South Africa's water resources mitigating disaster risk for the sector</li> <li>• Improved youth participation in the agricultural sector and intergenerational transfer of skills</li> <li>• Improved custodianship and stewardship of natural resources through community based ownership</li> <li>• Improved livelihoods of rural communities within the ambit of the green economy</li> <li>• Improved partnerships and institutions by private, public and community sectors that are responsible for natural resources</li> <li>• Improved knowledge and skills base in the sustainable use and management of natural resources</li> <li>• Enhanced ecosystem services for current and future generations</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Hectares of range land protected and rehabilitated</li> <li>• Hectares of soil land protected and rehabilitated</li> <li>• Number of Junior Land Care participants involved in the programme</li> <li>• Number and hectares of water resources protected and rehabilitated</li> <li>• Number of capacity building initiatives conducted for Junior Land Cares</li> <li>• Number of capacity building initiatives conducted by Land Carers</li> <li>• Number of awareness campaigns conducted and Land Carers attending</li> <li>• Number of Land Care committees/groups established</li> <li>• Hectares of land where weeds and invader plants are under control</li> <li>• Number of kilometres (km) of fencing erected</li> <li>• Number of green jobs created, expressed as Full Time Equivalents (FTEs)</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 4: Decent Employment through inclusive economic growth</li> <li>• Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</li> <li>• Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced</li> </ul>
<b>Details contained in the business plan</b>	<p>The grant uses a business plan that contains the following:</p> <ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Outputs indicators</li> <li>• Inputs</li> <li>• Cash flow projections and statement of work</li> <li>• Key activities/implementation plan</li> <li>• Monitoring and evaluation</li> <li>• Risk and mitigation</li> <li>• Exit strategy</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Provinces must confirm capacity to implement projects and operational funding by March 2014</li> <li>• Provincial departments' Annual Performance Plans for 2014/15 must clearly indicate measurable objectives and performance targets as per approved business plans with the Department of Agriculture, Forestry and Fisheries (DAFF)</li> <li>• The impact of the Land Care programme should also be quantified</li> <li>• Provinces should report their financial performance per project on a monthly basis as per Division of Revenue Act (DoRA) deadlines</li> <li>• Provinces should on a monthly basis report on the number of jobs created in line with Expanded Public Works Programme (EPWP) reporting requirements</li> <li>• Projects should adhere to the reporting dates as stipulated in the 2014 DoRA, and adhere to agreed dates as approved by the Natural Resource Management Working Group (NRMWG)</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on an index comprising of nodes, land capability, poverty, degradation and land size derived from the following sources: <ul style="list-style-type: none"> <li>○ nodes are the most deprived wards identified in the Comprehensive Rural Development Programme</li> <li>○ land capability = total ha class I, II and III based on spatial analysis data</li> <li>○ size = ha</li> <li>○ poverty = poverty gap based on food poverty line (Statistics South Africa Living Conditions Survey 2008/09)</li> <li>○ degradation = ha (national land cover 2000)</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The funding originated with special poverty allocations made by national government for a specific purpose</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R115.6 million to provinces</li> <li>• Of the total available R118.1 million (including R2.4 million provincial roll-overs), R108.7 million (92.1 per cent) was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 13 882 Junior Care management sub-programme participants trained</li> <li>• 20 179 ha of land on which alien invasive plants were eradicated</li> <li>• 180 610 ha of grazing area improved</li> </ul>



<b>Land Care Programme Grant: Poverty Relief and Infrastructure Development</b>	
	<ul style="list-style-type: none"> <li>• 73 ha wetlands protected</li> <li>• 22 water sources developed or protected against over-utilisation</li> <li>• 12 483 hectares of land protected against soil erosion through the conservation measures</li> <li>• 89 gabion structures constructed</li> <li>• 15 049 of farm land hectares improved through conservation measures in all nine provinces</li> <li>• 610 km of fencing erected</li> <li>• 41 714 beneficiaries have benefited from capacity building initiatives</li> <li>• 328 FTE's created through Land Care programme</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant will be reviewed when and if the need arises to align it with changes in the EPWP, outcome approach, national planning report, and any policy development within government</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R68 million, 2015/16: R68 million, and 2016/17: R72 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• 10 per cent: 24 April 2014, 35 per cent: 21 August 2014, 35 per cent: 23 October 2014, and 20 per cent: 22 January 2015</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officers</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2014/15</li> <li>• Review norms and standards for the implementation of the grant during the NRMWG meeting held quarterly</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation through project site visits and provide support to provinces</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Submit evaluation reports to National Treasury four months after the end of the financial year</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial departments to report monthly (financial) and quarterly (non-financial) on the progress of the projects. Provinces should further adhere to agreements approved by the NRMWG on performance reporting and any other matter related to natural resource management</li> <li>• Provincial departments to report monthly jobs created as part of the EPWP. These reports should be submitted to the Department of Public Works using the approved reporting system</li> <li>• Provinces should further report jobs created to the DAFF using the prescribed reporting template/format on or before the 15th of every month</li> <li>• Provincial departments to implement the projects according to the approved business plans. Any deviation should first be communicated to DAFF in writing and approved by DAFF before implementation</li> <li>• Provinces should constitute Provincial Assessment Panels (PAPs) and assess all business plans submitted before the end of September in each financial year</li> <li>• Provinces must hold Provincial Assessment Panels and DAFF should be invited to assess all business plans submitted before submitting preliminary plans to DAFF by 30 September 2014</li> <li>• Provincial departments should monitor project implementation and evaluate the impacts of projects in achieving Land Care goals</li> <li>• Provinces to submit evaluation reports to DAFF two months after the end of the financial year</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• DAFF provides provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury and DAFF by June 2014</li> <li>• Submission of signed preliminary provincial and individual Land Care business plans by provinces on or by 30 September 2014</li> <li>• Engagement by DAFF with provinces on business plans submitted during Provincial Assessment Panel meetings and during October 2014 prior to National Assessment Panel (NAP)</li> <li>• Evaluation and recommendation of business plans by NAP during November 2014</li> <li>• Interactions with provinces requested by NAP to correct their business plans accordingly prior to approval by the Director General</li> <li>• Approval of business plans by the Director General before March 2015</li> <li>• Notify provinces of the approval of business plans by March 2015</li> <li>• Send funding agreements to provinces by January-March 2015 to be signed by the Heads of Departments, Chief Financial Officers and Land Care coordinators</li> </ul>

## ARTS AND CULTURE GRANT

<b>Community Library Services Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Arts and Culture (Vote 14)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To enable the South African society to gain access to knowledge and information that will improve their socio-economic status</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved coordination and collaboration between national, provincial and local government on library services</li> <li>Transformed and equitable library and information services delivered to all rural and urban communities</li> <li>Improved library infrastructure and services that reflect the specific needs of the communities they serve</li> <li>Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs</li> <li>Improved culture of reading</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>9 signed agreements between national, provincial and local governments on the planning, management and maintenance of community libraries</li> <li>400 000 items of library materials (books, periodicals, toys etc) purchased</li> <li>Library Information and Communication Technology (ICT) infrastructure and systems using open source software in all provinces</li> <li>Library material and services for the visually impaired at community libraries in three provinces</li> <li>17 new library structures completed</li> <li>45 upgraded and maintained library structures</li> <li>Additional community library staff appointed in all provinces</li> <li>Capacity building programmes for public librarians</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The provincial business plans must be developed in accordance with identified priority areas</li> <li>Grant funding must not be used to replace funding for items that provinces have previously allocated to community libraries</li> <li>Provinces may use a maximum of 5 per cent of the total amount allocated to them for capacity building and provincial management of the grant</li> <li>The detail of how these funds will be used must be included in the respective business plans</li> <li>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 2014/15 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</li> <li>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. 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"> <li>Eastern Cape: R40.2 million</li> <li>Free State: R55.6 million</li> <li>Gauteng: R61.4 million</li> <li>KwaZulu-Natal: R53.1 million</li> <li>Limpopo: R8.93 million</li> <li>Mpumalanga: R37.7 million</li> <li>Northern Cape: R42.3 million</li> <li>North West: R31.8 million</li> <li>Western Cape: R53.5 million</li> </ul> </li> <li>Service Level Agreements (SLAs) determining reporting protocols must be signed with receiving municipalities within 2 months after the 2014 Division of Revenue Act takes effect</li> <li>The SLAs must include financial commitments over the MTEF in addition to the payments schedules to municipalities and reporting protocols which outline measurable performance targets for each municipality</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The distribution formula is based on an evaluation report for 2012/13 conducted by the Department of Arts and Culture (DAC) which identified community library needs and priorities</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This funding is intended to address backlogs and disparities in the ongoing provision and maintenance of community library services across provinces, and enable the DAC to provide strategic guidance and alignment with national priorities</li> </ul>

<b>Community Library Services Grant</b>	
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R564.6 million and R564.6 million transferred to provinces</li> <li>• Of the total allocation of R615.2 million (including provincial roll-overs), R518.8 million (84.3 per cent) was spent by provinces</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 37 libraries upgraded</li> <li>• 14 libraries built</li> <li>• 181 new staff appointed</li> <li>• 55 bursaries maintained</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R1 016 million, 2015/16: R1 341 million, and 2016/17: R1 412 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments (16 May 2014, 18 July 2014, 17 October 2014, and 30 January 2015)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Finalise a framework for planning the allocation of library funding at the provincial level by 1 August 2014, that must prescribe minimum norms and standards for the provision of public libraries</li> <li>• Establish an intergovernmental forum with provinces that meets at least twice a year to discuss issues related to the provision of community library services</li> <li>• Participate in at least one intergovernmental forum meeting per province between provinces and municipalities</li> <li>• Identify challenges and risks and prepare mitigation strategies</li> <li>• Monitor and evaluate implementation</li> <li>• Evaluate annual performance of the grant for the 2014/15 financial year, for submission to National Treasury</li> <li>• Submit monthly financial and quarterly performance reports to National Treasury</li> <li>• Determine outputs and targets for 2015/16 with provincial departments</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• To qualify for allocations from the grant in 2015/16 provinces must complete a strategy that details the process that leads to the finalisation of the full funding of the function, either by assignment to municipalities, full provincialization or a combination of the aforementioned options by the end of the 2015 MTEF. Provinces must submit a draft by 1 August 2014 for comments by the DAC, and must submit a final strategy by 1 October 2014. These strategies must detail at least the following: <ul style="list-style-type: none"> <li>○ criteria that will be used to evaluate the capacity of municipalities to administer the function on behalf of the province</li> <li>○ a policy framework for funding municipalities that administer the service</li> <li>○ this framework must provide for funding the service over a ten year time horizon</li> </ul> </li> <li>• Provinces must establish intergovernmental forums with municipalities in their province that are funded through this grant, that meet at least three times a year to discuss issues related to the provision of community library services</li> <li>• Provincial departments must establish capacity to monitor and evaluate Service Level Agreements with municipalities</li> <li>• Submit monthly financial and quarterly performance reports including the quarterly expenditure reports of municipalities to the DAC</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces to submit draft business plans aligned to their strategies for fully funding the function to DAC by 30 September 2014</li> <li>• DAC to evaluate provincial business plans and provide feedback to provinces by 28 November 2014</li> <li>• Provinces to submit final provincial business plans to DAC by 16 January 2015</li> <li>• DAC approves business plans and submits them to National Treasury by 13 March 2015</li> </ul>

## BASIC EDUCATION GRANTS

<b>Dinaledi Schools Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To increase the number of learners taking Mathematics, Physical and Life Sciences up to grade 12, with a particular focus on female learners, in line with the National Strategy for Mathematics, Science and Technology Education Action Plan to 2014, Quality Education to 2025 and the National Development Plan (NDP)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To improve the quality of learner performance in Mathematics, Physical Sciences, Life Sciences, and English First Additional Language (EFAL), in line with the Action Plan to 2014 and the NDP</li> <li>• To improve the content knowledge, pedagogies and didactic skills of Mathematics, Physical Sciences and Life Sciences teachers</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Continually increased performance of learners and teachers in underprivileged schools, presenting candidates in Grade 12 for Mathematics, Physical Sciences and Life Sciences</li> <li>• Continually increased performance in Natural Sciences and Technology, and Mathematics of learners and teachers in underprivileged schools that serve as 'feeder' primary schools to Dinaledi high schools</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Based on a school-by-school needs analysis at each Dinaledi School, and where lacking provide: <ul style="list-style-type: none"> <li>○ apparatus and consumables (top-ups), including mobile laboratories to schools that lack a dedicated, functional sciences laboratory</li> <li>○ geometry sets, emulators, and calculators</li> <li>○ study-guides, reference works and past-exam question paper compilations with solutions</li> <li>○ Information and Communications Technology (ICT) hardware, software and internet</li> <li>○ connectivity, including the installation of appropriate physical security measures</li> <li>○ software for improving competence, comprehension and reading fluency for learners whose home language is not English or Afrikaans and are enrolled for EFAL</li> <li>○ access to appropriate educational television (TV) broadcasts, including but not limited to the provision of TV sets, decoders, receiving dishes, digital projectors and electronic whiteboards, including training for teachers in the use of these technologies</li> <li>○ content, didactic and pedagogic programmes to improve teacher effectiveness in Mathematics, Physical Sciences and Life Sciences</li> <li>○ management training and/or mentoring for principals and school management teams</li> <li>○ co-curricular, additional preparation of Grade 8-11 learners for participation in Mathematics and Science Olympiads, science fairs/competitions and the establishment and maintenance of science clubs</li> <li>○ clearly defined incentives for learners, teachers and/or schools that achieve or exceed agreed performance targets</li> <li>○ supernumerary teachers (Mathematics and Physical Sciences exclusively) in schools with a subject teacher to pupil ratio exceeding 1:35 and where this teacher's contact time conforms to at least the regulation minimum prescribed</li> <li>○ one laboratory assistant per school, to be remunerated at the same rate as interns in the public service</li> </ul> </li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk management plan</li> <li>• Procurement plan</li> <li>• Monitoring plan</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Priority is to be given to provision of: <ul style="list-style-type: none"> <li>○ ICT hardware, minimally specified as: <ul style="list-style-type: none"> <li>– a networked system of 35 desktop computers/tablets/laptops, including appropriate support hardware such as a server, air conditioning (if indicated), installation and cabling etc.</li> </ul> </li> <li>○ appropriate security if in an unsecured dedicated room or a secure trolley for transport to and from a secured room, all Dinaledi schools must be equipped at this minimum level by the end of the 2014/15 financial year</li> <li>○ continuous internet connectivity</li> <li>○ teacher content-knowledge training programmes, a minimum of 30 per cent of transferred funds must be employed to this end</li> <li>○ remaining funds may then be used for procurement of other outputs</li> </ul> </li> <li>• The Department of Basic Education (DBE) will identify service providers and advise provinces to ensure benefits of economies of scale</li> <li>• Provinces may, on condition of proven capacity from the previous financial year, provide resources by applying their own procurement processes</li> <li>• Provinces must prove to DBE that they have the necessary capacity to implement the grant effectively</li> <li>• DBE will appoint dedicated provincial project managers to support provincial administration of the grant who will also be responsible for district development and School Management Teams (SMT) mentoring support</li> </ul>

<b>Dinaledi Schools Grant</b>	
	<ul style="list-style-type: none"> <li>• No less than 10 per cent and no more than 15 per cent of each province's annual allocation may be used for the following:               <ul style="list-style-type: none"> <li>○ the establishment of co-curricular science clubs and chess clubs in 10 per cent of the total number of Dinaledi schools in the respective provinces, increasing annually by the same number in subsequent years</li> <li>○ at least 30 learners per grade, from each Dinaledi school in grades 8 through to 11 must participate in the South African Mathematics Foundation Mathematics Olympiad, and at least 10 learners per grade must participate in the National Science Olympiad</li> <li>○ at least 5 learners per grade, from each Dinaledi school, in grades 8 through to 11 must participate in at least one DBE approved national science Expo (e.g. Eskom Expo)</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Dinaledi schools must satisfy the following criteria for inclusion in the program:               <ul style="list-style-type: none"> <li>○ at least 30 learners per grade must be enrolled for Mathematics in Grades 10-12, schools with less than this number may nevertheless be eligible for inclusion, specifically, newly established schools, demonstrably improving and special schools</li> <li>○ at least 60 per cent of learners in grades 10-12 must be enrolled for Mathematics</li> <li>○ at least 60 per cent of learners in grades 10-12 must have achieved a promotion mark for Mathematics of 40 per cent or higher in the preceding year</li> <li>○ at least 60 per cent of Grade 11 and 12 learners must have achieved a promotion mark for Physical Sciences and/or Life Sciences of 40 per cent or higher in the preceding year</li> <li>○ there is a minimum 5 per cent, year-on-year increase in enrolment numbers for Mathematics, Physical and Life Sciences in grades 10-12</li> <li>○ Schools that have been included in the Dinaledi programme must show a year-on-year increase in performance quality and participation quantity and must exceed the national average performance rates by at least 10 per cent in Mathematics, and Life and Physical sciences</li> </ul> </li> <li>• Schools not conforming to these allocation criteria may be replaced by the DBE with other qualifying schools, in consultation with provincial Dinaledi project managers and provincial officials</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The Dinaledi schools project is a pilot project and will be used as a model for other schools to improve performance in Mathematics, Physical and Life Sciences</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R99.7 million and transferred R94 million to provinces of which 96 per cent was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 12 000 maths kits</li> <li>• 20 760 calculators</li> <li>• 1 377 computers</li> <li>• 103 schools connected to internet</li> <li>• 4 software licenses per school</li> <li>• 1 030 storage units</li> <li>• 51 printers</li> <li>• 124 projectors</li> <li>• 106 smartboards</li> <li>• 82 tablets</li> <li>• 26 projector screens</li> <li>• 111 TV sets procured</li> <li>• 15 document viewer cameras</li> <li>• 46 receiving dishes</li> <li>• 46 decoders for Mindset Learning Channel on DSTV</li> <li>• 276 sets of science apparatus including consumables</li> <li>• 18 mobile science labs</li> <li>• 7 science laboratories fully refitted</li> <li>• 46 ICT rooms refurbished</li> <li>• 62 teachers and 8 017 pupils were trained in preparation for Olympiads</li> <li>• 1 201 teachers received content training in mathematics and physical sciences</li> <li>• 5 000 Study guides in Mathematics, Physical Sciences and Life Sciences</li> <li>• 630 dictionaries</li> <li>• 51 schools received diagnostic tools for Mathematics and Physical Sciences</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R111 million, 2015/16: R116 million, and 2016/17: R123 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments (29 April 2014, 2 August 2014, 2 November 2014, and 31 January 2015)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• The DBE will monitor the performance of the Provincial Education Departments (PEDs) quarterly and will evaluate the degree of implementation of grant outputs in June 2014 and in November 2014</li> <li>• Develop an evaluation plan and monitoring schedule before 28 February 2014, for on and off-site monitoring of implementation of grant outputs for the 2014/15 financial year</li> <li>• Evaluate, amend where appropriate, approve, and submit provincially approved business plans to National Treasury</li> </ul>

<b>Dinaledi Schools Grant</b>	
	<ul style="list-style-type: none"> <li>• Manage, monitor and support programme implementation in provinces</li> <li>• Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Assess and review financial and non-financial performance of the conditional grant and submit provincial annual evaluation reports to National Treasury by 31 July 2014</li> <li>• Enter into transversal agreements with suppliers of goods and services to be utilised by PEDs</li> <li>• Specify the competencies required of DBE appointed project managers for deployment in the provinces</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Comply with the minimum requirements of the transferring national officer's monitoring and evaluation plan, including making use of DBE facilitated transversal tenders</li> <li>• Develop and submit to DBE, before 28 February 2014, an annual schedule for on-site school monitoring</li> <li>• At least 10 per cent of the total number of Dinaledi Schools in each province must be visited each quarter</li> <li>• Develop and submit business plans, approved by provincial Heads of Departments of PEDs, to the DBE</li> <li>• Submit approved quarterly financial and narrative reports, in the DBE prescribed formats, to the DBE within 30 days after the end of each quarter</li> <li>• Evaluate the performance of the conditional grant annually and submit evaluation reports, in the DBE prescribed format, to the DBE by 31 May 2014</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Consultation with provincial Dinaledi project managers, finance sections of provincial treasuries and National Treasury</li> <li>• Provinces submit first draft business plans for the 2015/16 financial year and report on capacity to implement the grant to the DBE by 31 August 2014</li> <li>• The DBE evaluates draft business plans, indicates revisions required and sends comments to provinces by 30 September 2014</li> <li>• Provinces submit final draft business plans to the DBE by 30 October 2014</li> <li>• DBE evaluates final draft business plans, indicates revisions required and sends comments to provinces by 15 November 2014</li> <li>• Provinces submit approved business plans by 10 December 2014</li> <li>• DBE Director General approves national and provincial business plans by 1 April 2015</li> </ul>

<b>Education Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To supplement provinces to fund provincial education infrastructure</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education</li> <li>• To enhance capacity to deliver infrastructure in education</li> <li>• To address damage to infrastructure caused by natural disasters</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved service delivery by provincial departments as a result of an improved and increased stock of schools infrastructure</li> <li>• Aligned and coordinated approach to infrastructure development at the provincial level</li> <li>• Improved education infrastructure expenditure patterns</li> <li>• Improved response to the rehabilitation of school infrastructure affected by natural disasters</li> <li>• Improved rates of employment and skills development in the delivery of infrastructure</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided</li> <li>• Number of existing schools' infrastructure upgraded and rehabilitated</li> <li>• Number of new and existing schools maintained</li> <li>• Number of work opportunities created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses a User-Asset Management Plan (U-AMP) which contains the following: <ul style="list-style-type: none"> <li>○ demand and need determination</li> <li>○ education infrastructure improvement priorities and targets</li> <li>○ current performance of education infrastructure</li> <li>○ project portfolio</li> <li>○ U-AMP improvement plan</li> <li>○ project lists for 2015/16 and 2016/17</li> <li>○ maintenance plan</li> <li>○ financial summary</li> <li>○ organisational and support plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Provinces may use a maximum of R16 million of this grant in the 2014/15 financial year for the appointment of public servants to their infrastructure units. Posts must be aligned to the agreed sector structure and job profiles and approved by the national Department of Basic Education (DBE)</li> <li>• Provincial Education Departments (PEDs) must on a quarterly basis submit to the transferring national 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</li> <li>• Provinces must report all infrastructure expenditure partially or fully funded by this grant in a format determined by the National Treasury and the DBE</li> <li>• Provinces must maintain a record of all contracts that are fully or partially funded by this grant, if the contract is above the prescribed tender value that is compliant with the Register of Projects of the Construction Industry Development Board</li> <li>• The flow of the first installment of the grant depends upon receipt by DBE and provincial treasuries of: <ul style="list-style-type: none"> <li>○ approved and signed-off tabled U-AMP with prioritised project lists for the 2014 MTEF and a comprehensive maintenance plan by not later than 11 April 2014. The U-AMP must also include the implementation plans for schools affected by natural disasters</li> <li>○ PEDs must provide the relevant provincial treasury with a list of infrastructure projects over the medium term expenditure framework for tabling in the provincial legislature with the provincial Appropriation Bill in the format determined by the National Treasury, and within seven days after the tabling in the legislature, submit the list to the DBE and the National Treasury and upload the list on the provincial website</li> <li>○ submit to DBE, the relevant provincial treasury and the National Treasury any amendment to the list and the reason for the amendment and table the amended list with the provincial Adjustments Appropriation Bill and upload the amended list on their website</li> </ul> </li> <li>• The flow of the second installment depends upon receipt by DBE and provincial treasuries of the approved and signed-off: <ul style="list-style-type: none"> <li>○ monthly infrastructure reports for March 2014 in a format determined by the National Treasury and DBE</li> <li>○ National Education Infrastructure Management System (NEIMS) assessment forms for the fourth quarter of the 2013/14 financial year not later than 18 April 2014</li> <li>○ submit quarterly performance reports on disaster allocations, to the Provincial Disaster Management Centre (PDMC) and DBE</li> </ul> </li> <li>• 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, the approved and signed-off: <ul style="list-style-type: none"> <li>○ 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</li> <li>○ monthly infrastructure reports in the format determined by National Treasury and the DBE</li> <li>○ NEIMS assessment forms for the first quarter of 2014/15 by 25 July 2014</li> </ul> </li> </ul>

**Education Infrastructure Grant**

	<ul style="list-style-type: none"> <li>○ submission of quarterly performance reports on disaster allocations for the first quarter of 2014/15 to the PDMC and DBE</li> <li>● The flow of the fourth installment is conditional upon receipt by the DBE and relevant provincial treasuries of the approved and signed off: <ul style="list-style-type: none"> <li>○ monthly infrastructure reports in the format determined by National Treasury and the DBE</li> <li>○ NEIMS assessment forms for the second quarter of 2014/15 by 24 October 2014</li> <li>○ draft Infrastructure Programme Management Plan (IPMP) (including the construction procurement strategy) for infrastructure programmes envisaged to commence within the period for the Medium Term Expenditure Framework (MTEF). These plans should also be submitted to National Treasury in a format and on a date determined by National Treasury</li> <li>○ submission of quarterly performance reports on disaster allocations for the second quarter of 2014/15 to the PDMC and DBE</li> </ul> </li> <li>● The flow of the fifth installment 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"> <li>○ monthly infrastructure reports in the format determined by National Treasury and the DBE</li> <li>○ NEIMS assessment forms for the third quarter of 2014/15 to DBE not later than 23 January 2015</li> <li>○ submission of the final IPMP and the construction procurement strategy for infrastructure programmes envisaged to commence within the period for the MTEF not later than 13 February 2015</li> <li>○ submission of quarterly performance reports on disaster allocations for the second quarter of 2014/15 to the PDMC and DBE</li> </ul> </li> <li>● Client departments must enter into Service Delivery Agreements (SDAs) with their implementing agents. The development or review of the SDA should continue in parallel with the development of the IPMP and Infrastructure Programme Implementation Plan (IPIP)</li> <li>● Provincial departments must establish committees with the relevant implementing agents and hold monthly meetings that are minuted to review progress on the IPMP and IPIP</li> <li>● 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</li> <li>● All immovable asset management and maintenance responsibilities as prescribed by the Government Immovable Asset Management Act of 2007 (GIAMA) and the Infrastructure Delivery Management Toolkit must be adhered to</li> <li>● PEDs must provide School Governing Bodies with maintenance guidelines to conduct minor maintenance. This should be in accordance with the sector maintenance strategy</li> <li>● PEDs must establish and maintain updated Immovable Asset Registers</li> <li>● PEDs must provide all the necessary equipment and furniture in the spaces provided when constructing new projects</li> <li>● 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</li> <li>● 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</li> <li>● Additional funds have been added to this grant for the reconstruction and rehabilitation of infrastructure damaged by floods. 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"> <li>○ KwaZulu-Natal: R31.6 million</li> <li>○ Limpopo: R20.3 million</li> <li>○ Western Cape: R0.7 million</li> </ul> </li> <li>● Business plans for the allocated disaster funds must be in line with the post disaster verification assessment reports submitted to the NDMC</li> <li>● 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</li> <li>● Quarterly performance reports on disaster allocations must be submitted to the NDMC</li> <li>● Compliance with the conditions of this grant framework and the relevant clauses within the stipulated timeframes of the Division of Revenue Act</li> <li>● Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of this grant</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>● Allocations for 2014/15 are based on historical allocations for the previous Infrastructure Grant for Provinces</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>● Funding infrastructure through a conditional grant enables the national department to ensure the delivery and maintenance of education infrastructure in a coordinated and efficient manner, and consistent with national norms and standards for school buildings</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>● Allocated R5 822 million and transferred R5 820 million to provinces, of which provinces spent R5 614 million or 96 per cent of the adjusted allocation</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>● 3 478 teaching spaces provided, 1 139 admin spaces, 241 water, 252 sanitation, 91 energy, 268 fencing, 1 083 maintenance and upgrades and 6 sports facilities</li> </ul>



<b>Education Infrastructure Grant</b>	
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Education is a key government priority and given the need to continually maintain school infrastructure and ensure that norms and standards are maintained</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R6 929 million, 2015/16: R9 469 million, and 2016/17: R10 038 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• As per the gazetted payment schedule</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• DBE will visit selected infrastructure sites in provinces</li> <li>• DBE and National Treasury will support provinces to improve infrastructure delivery capacity and systems</li> <li>• DBE must provide guidance to provinces in planning and prioritisation</li> <li>• DBE and National Treasury must jointly evaluate and provide feedback to all provinces on the assessment of U-AMPs/infrastructure plans</li> <li>• Submit quarterly performance reports on disaster allocations to NDMC within 45 days after the end of each quarter</li> <li>• Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes of the Division of Revenue Act</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• PEDs must submit a monthly provincial infrastructure report of infrastructure programmes within 15 days after the end of each month to the relevant provincial treasury and DBE</li> <li>• PEDs must table infrastructure plans together with draft strategic and annual performance plans</li> <li>• Submit quarterly performance reports on disaster allocations, to the PDMC and DBE</li> <li>• Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes of the Act</li> </ul>
<b>Process for approval of the 2015/16 and 2016/17 business plans</b>	<ul style="list-style-type: none"> <li>• For purposes of the Education Infrastructure Grant in the 2015/16 financial year, PEDs must, in the format and on the date determined by the National Treasury, submit to DBE, the relevant provincial treasury and the National Treasury approved project proposals for all new projects in the planning stage in the 2015/16 financial year</li> <li>• Approved concept reports for all projects in the design or construction stage in the 2015/16 financial year</li> <li>• For purposes of the Education Infrastructure Grant in the 2016/17 financial year, PEDs must, in the format and on the date determined by the National Treasury, submit to DBE, the relevant provincial treasury and the National Treasury: <ul style="list-style-type: none"> <li>○ draft U-AMPs and a prioritised list of projects for a period of at least 10 years</li> <li>○ IPMPs and Construction Procurement Strategies for infrastructure programmes envisaged to commence within the period for the MTEF</li> </ul> </li> <li>• Implementing department(s) or agent(s) must submit the Infrastructure Programme Implementation Plans (IPIPs) for 2015/16 to client departments by 28 November 2014</li> </ul>

<b>HIV and AIDS (Life Skills Education) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enhance awareness programmes offered by schools to prevent and mitigate the impact of human immunodeficiency virus (HIV) and tuberculosis (TB)</li> <li>• To increase knowledge, skills and confidence amongst learners and educators to take self-appropriate sexual and reproductive health decisions</li> <li>• To increase access to sexual and reproductive health services including HIV as well as TB services for learners and educators</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To support South Africa's HIV prevention strategy by increasing sexual and reproductive health knowledge, skills and appropriate decision making among learners and educators</li> <li>• To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators</li> <li>• To ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment/abuse</li> <li>• To reduce the vulnerability of children to HIV, TB and Sexually Transmitted Infections (STIs), with a particular focus on orphaned and vulnerable children</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased HIV, STI and TB knowledge and skills amongst learners, educators and officials</li> <li>• Decrease in higher risk sexual behaviour among learners, educators and officials</li> <li>• Decreased barriers to retention in schools, in particular for vulnerable learners</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• 1 100 master trainers trained in the integration of sexual and reproductive health (SRH) and TB programmes into the school curriculum</li> <li>• 19 000 Educators trained to implement SRH and TB programmes for learners to be able to protect themselves from HIV and TB and their associated risk factors including alcohol and drug use</li> <li>• 7 100 School Management Teams (SMT) and School Governing Bodies (SGBs) trained to develop policy implementation plans focusing on keeping young people in school; ensuring that SRH and TB education is implemented for all learners in schools; and ensuring access to SRH and TB services</li> <li>• Co-curricular activities on SRH and TB implemented in schools including a focus on prevention of alcohol and drug use, targeting 248 400 learners</li> <li>• Care and support programmes implemented to reach 163 300 learners and 19 400 educators</li> <li>• 500 000 copies of Curriculum and Assessment Policy Statement (CAPS) compliant material, including material for learners with barriers to learning, printed and distributed to schools</li> <li>• Advocacy and social mobilisation events hosted with 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, to advocate for the integrated school health programmes including HIV testing and improved understanding of the transformative nature of education</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Each provincial department must distribute the grant allocation in accordance with the following weights for the key performance areas: <ul style="list-style-type: none"> <li>○ training and development (15 per cent)</li> <li>○ co-curricular activities (25 per cent)</li> <li>○ care and support (20 per cent)</li> <li>○ learning and teaching support material (10 per cent)</li> <li>○ advocacy and social mobilisation (15 per cent)</li> <li>○ monitoring and support (8 per cent)</li> <li>○ management and administration (7 per cent)</li> </ul> </li> <li>• Provinces must report on expenditure according to the above six key performance areas per quarter</li> <li>• Installments are dependent on the Department of Basic Education (DBE) receiving these reports, adherence to approved business plans and attendance at the biannual interprovincial meetings</li> <li>• The above percentages are guidelines and may be deviated from in accordance with provincial needs with the approval of the national transferring officer</li> <li>• These deviations should be informed and motivated by achievements and/or critical challenges relating to the trends in the epidemic as relevant to respective provinces and provincial departments</li> <li>• Provincial education departments must ensure that they have the necessary capacity and skills to manage the implementation of the grant</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The shares of the education component of the equitable share formula as explained in Annexure W1 of the 2014 Division of Revenue Bill are used to allocate the grant amongst provinces</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• To enable the DBE to provide overall guidance, to ensure congruency, coherence and alignment with the government's National Strategic Plan for HIV and Aids, STIs and TB, 2012 - 2016 and the Department of Basic Education's Integrated Strategy on HIV, STIs and TB, 2012 - 2016. This enables DBE to exercise an oversight role in the implementation of the HIV and AIDS Life Skills Education Programme in schools</li> </ul>

<b>HIV and AIDS (Life Skills Education) Grant</b>	
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• A total of R218 million (including provincial roll-overs) was transferred and provinces spent R184 million (88.3 per cent)</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 1 640 master trainers, 17 087 life orientation educators and 3 957 educators trained in the integration of life skills in the curriculum</li> <li>• Functional peer education programmes (81 387), curriculum-based learner retention and learner retention programme (36 559), drugs and substance use programme (68 461 learners) and 6400 educators trained to mentor peer education in primary schools</li> <li>• 16 487 school based support teams established, 3 444 school management teams trained to develop policy implementation plans and 155 237 vulnerable learners identified and referred for services</li> <li>• 1 784 892 sets of learning and teaching support material delivered to 13 685 schools and 11 973 first aid kits distributed to 8 500 schools</li> <li>• Advocacy reached 344 854 learners and educators as well as 151 793 members of the school communities</li> <li>• 6 958 schools reached through monitoring and support visits and 395 meetings held</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The grant will be reviewed on an ongoing basis to respond to the nature and trends in the HIV and TB epidemics</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R221 million, 2015/16: R226 million, and 2016/17: R238 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments: 17 April 2014, 25 July 2014, 31 October 2014, and 30 January 2015</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Identify risks and challenges impacting on provincial implementation</li> <li>• Develop risk management strategies to address these risks</li> <li>• Ensure synergy with national strategies and processes aimed at reducing HIV and the related chronic illnesses such as TB infection in the country together with their risk factors such as alcohol and drug use</li> <li>• Agree on outputs and targets with provincial departments in line with grant objectives and national imperatives for 2015/16 by 30 September 2014</li> <li>• Provide evidence-based guidance for the development of business plans based on monitoring and findings from international and national research</li> <li>• Monitor implementation of the programme and provide support to provinces</li> <li>• Develop partnerships with key stakeholders</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Ensure synergy with national strategies and processes aimed at reducing HIV and TB infections and all other related issues including their risk factors such as alcohol and drug use</li> <li>• Identify risks and challenges impacting on implementation</li> <li>• Develop risk management strategies and implementation plans to address these risks</li> <li>• Submit monthly, quarterly and annual performance reports to the DBE in line with the Division of Revenue Act and Public Finance Management Act</li> <li>• Agree with the DBE on outputs and targets to ensure effective implementation of the programme</li> <li>• Monitor implementation of the programme and provide support to districts and schools</li> <li>• Evaluate and submit a provincial evaluation report on the performance of conditional grant to the DBE by 30 May 2014</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Communication and meeting with provinces to inform targets for the next financial year by 26 September 2014</li> <li>• Provinces submit draft business plans to DBE for evaluation by 28 November 2014</li> <li>• DBE evaluates provincial business plans from 5 December 2014</li> <li>• Comments sent to provinces to amend the plans by 12 January 2015</li> <li>• Provinces submit amended, signed plans to DBE by 27 February 2015</li> <li>• DBE Director-General approves provincial business plans by 31 March 2015</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The eradication of inappropriate education structures and backlogs in basic services</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Eradication of entire inappropriate school infrastructure</li> <li>• Provision of water, sanitation and electricity to schools</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved access to enabling learning and teaching environments</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Sub-programme 1 - eradication and replacement of 496 entire inappropriate schools and provision of related school furniture</li> <li>• Sub-programme 2 - 1 257 schools provided with water</li> <li>• Sub-programme 3 - 868 schools provided with sanitation</li> <li>• Sub-programme 4 - 878 schools provided with electricity</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the infrastructure programme management plan</b>	<ul style="list-style-type: none"> <li>• This grant uses an Infrastructure Programme Management Plan that includes the following: <ul style="list-style-type: none"> <li>○ institutional framework</li> <li>○ procurement and contract management plan</li> <li>○ scope management</li> <li>○ time management plan</li> <li>○ cost management plan</li> <li>○ risk management plan</li> <li>○ quality management plan</li> <li>○ monitoring and reporting details</li> <li>○ budgeting and programme accounting details</li> <li>○ performance management plan</li> <li>○ communication management plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• This is a grant-in-kind administered by the national Department of Basic Education (DBE) that may be transferred to a province through the Education Infrastructure Grant if the province is able to demonstrate, through a proven track record, that it has the capacity to implement the projects</li> <li>• DBE must submit an infrastructure programme implementation plan</li> <li>• Programme governance will be conducted by the following committees established to ensure that various processes are initiated within the programme: <ul style="list-style-type: none"> <li>○ national steering committee</li> <li>○ technical committee</li> <li>○ project steering committee</li> <li>○ infrastructure bid specification and evaluation committee</li> <li>○ infrastructure bid adjudication committee</li> </ul> </li> <li>• 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</li> <li>• The DBE must submit monthly project reports with cash flow to National Treasury 15 days after the end of each month, that show how actual payments and cash flow reconcile with the projected cash flow schedule and explain any deviations from the original projected cash flow</li> <li>• Assets will be transferred to custodians in the respective provinces at final completion. Provincial education departments must report in their annual reports and describe how the schools have been considered in their future maintenance plans</li> <li>• The DBE must agree in writing with the provinces on projects that the DBE will administer on behalf of the province</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The grant allocation is based on the distribution of inappropriate structures and schools without access to water, sanitation and electricity across provinces</li> <li>• Final allocations will be based on the finalised Infrastructure Programme Management Plan (IPMP) of the DBE as approved by the Director General</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This is a specific purpose grant, to eradicate the basic safety norms backlog in schools without water, sanitation and electricity and to replace those schools constructed from inappropriate material including mud schools to contribute towards levels of optimum learning and teaching. The grant will be administered by the national department to achieve maximum impact in the shortest time possible</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R2 065 billion was allocated and R859 million was spent (42 per cent)</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Sub-programme 1 - 17 inappropriate schools were eradicated and 180 projects were at various stages of planning, detail design and execution</li> <li>• Sub-programme 2 – 91 schools were provided with water and 800 projects were at various stages of planning, detail design and execution</li> <li>• Sub-programme 3 - 175 schools were provided with water and 400 projects were at various stages of planning, detail design and execution</li> <li>• Sub-programme 4 - 120 schools were provided with electrification and 350 projects were at various stages of planning, detail design and execution</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Backlogs should be dealt with by 2016/17</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R2 939 million, 2015/16: R2 433 million and 2016/17: R2 611 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments will be made according to professional service provider's verified invoices or advance payments in line with approved Memorandum of Agreements, Implementation Programme Implementation Plans and reviewed monthly cash flow projections from implementing agents</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Undertake planning of the processes, activities, and Accelerated School Infrastructure Delivery Initiative (ASIDI) programme policies required to realise the outputs and identify the resources that are required</li> <li>• Undertake the necessary procurement to secure the services of implementing agents, professional service providers, contractors and secondary procurement objectives to respond to the scope of work identified in the infrastructure programme management plan</li> <li>• Monitor and evaluate performance of the programme support unit, implementing agents, conduct project site inspections at selected sites to verify progress and quality of the works to secure programme outputs and deliverables</li> <li>• Harness the opportunities offered through the programme to contribute towards skills development</li> <li>• DBE will convene and chair meetings of the National Steering Committee (NSC) which will: <ul style="list-style-type: none"> <li>○ provide strategic direction to the ASIDI programme</li> <li>○ provide general oversight on the programme</li> <li>○ ensure that the management of the programme brings together those players responsible for different elements of project success and ensure a holistic approach in support of the programme</li> <li>○ ensure that standards are in line with different prescripts e.g. norms and standards for school infrastructure are adhered to</li> <li>○ facilitate the establishment of sub-programme management, their membership, reporting modalities and their interaction with the steering committee</li> <li>○ establish the modalities linking the targeted Provincial Education Departments (PEDs) with DBE</li> <li>○ supervise the programme and ensure appropriate coordination and cooperation between different agencies and departments involved</li> <li>○ facilitate the linkages between national stakeholders such as the National Treasury, Infrastructure Delivery Improvement Plan (IDIP), Construction Industry Development Board (CIDB) and the national departments of Human Settlements, Water Affairs, Energy and Public Works</li> <li>○ ensure ASIDI strategies and targets are in line with national goals and targets</li> <li>○ monitor progress in terms of national goals and targets</li> <li>○ assist the management of the programme in solving particular issues that may arise and that may require the intervention of the committee</li> <li>○ report to the Minister of Basic Education, Council for Education Ministers (CEM), Heads of Education Departments Committee (HEDCOM) and senior management</li> </ul> </li> <li>• Develop a sector procurement strategy and procurement strategy for this grant in terms of the practice guide prescribed by the infrastructure delivery management toolkit</li> <li>• The department will develop a procurement strategy for this grant that will lead to the quickest possible achievement of the grant objectives which may require the clustering of projects across provincial boundaries</li> <li>• Submit an approved IPMP including projects list to National Treasury</li> <li>• Ensure compliance with reporting requirements and adherence to projected cash flow schedules</li> <li>• Consolidate and submit quarterly reports to National Treasury and National Council of Provinces within 45 days after the end of each quarter</li> <li>• Conduct site visits to selected projects to assess performance</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
	<ul style="list-style-type: none"> <li>• Create the necessary organisational structures and build capacity within the department to oversee and monitor the implementation of the grant</li> <li>• The DBE must ensure this committee meets at least once a month and is provided with sufficiently detailed reports to assess project implementation and projected cash flow schedules reconciled at the end of the month preceding the monthly meeting</li> </ul>
	<p><b>Responsibilities of the Provincial Departments</b></p> <ul style="list-style-type: none"> <li>• Provide the list of schools to be included in the ASIDI programme</li> <li>• Ensure that the list of schools identified includes all the schools that are not constructed of appropriate materials in their entirety</li> <li>• Ensure that the list of schools identified includes all the schools that never had basic sanitation, water and electricity</li> <li>• 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</li> <li>• Establish PPMTs that will provide support to the DBE when implementing projects funded by this grant</li> <li>• Convene the PPMTs and report to the NSC</li> </ul>
<b>Process for approval of the 2015/16 infrastructure programme management plan</b>	<ul style="list-style-type: none"> <li>• Submission by DBE of the Infrastructure Programme Management Plan for 2015/16 projects by 9 February 2015 to National Treasury</li> </ul>

<b>National School Nutrition Programme Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enhance learning capacity and improve access to education</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide nutritious meals to targeted learners</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Enhanced learning capacity and improved access to education</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Nutritious meals served to learners</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk Management Plan</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Spending must be in line with national and provincial business plans</li> <li>• The budget allocation must be distributed in terms of the following weightings for both secondary and primary schools: <ul style="list-style-type: none"> <li>○ school feeding (inclusive of cooking utensils): minimum of 96 per cent</li> <li>○ administration: maximum of 3.5 per cent</li> <li>○ nutrition education and food production activities: minimum of 0.5 per cent</li> </ul> </li> <li>• Minimum feeding requirements: <ul style="list-style-type: none"> <li>○ provide nutritious meals to all learners in quintile 1 to 3 primary and secondary schools (as per gazetted national quintiles) as well as identified special schools on all school days</li> <li>○ provide cost per meal per learner in primary schools as well as identified special schools at an average of R2.73 and in secondary schools at an average R3.55, inclusive of cooking fuel and honorarium</li> <li>○ far-flung farm and rural schools that are receiving funds directly from schools should be allocated a higher meal cost to cover higher transport costs</li> <li>○ pay an honorarium of a minimum of R900 per person per month, in line with a food handler to learner ratio of 1:200.</li> <li>○ a ratio of 1:120 is recommended for schools where learner enrolment is 250 or fewer</li> <li>○ comply with recommended food specifications and approved menu</li> <li>○ fresh fruit/vegetables should be served daily and vary between green, and yellow/red on a weekly basis</li> <li>○ a variety of protein-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, soya should not be served more than twice a week</li> <li>○ pilchards should be served at least once a week. High quality protein products can replace pilchards in areas where these are not socially acceptable</li> <li>○ 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</li> <li>○ provinces should promote sustainable food production and nutrition education</li> </ul> </li> <li>• 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</li> <li>• The 8 May 2014 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)</li> <li>• Provincial business plans will be approved in line with the above minimum requirements and available resources. The following variations may be approved by the transferring national officer based on achievements and/or critical challenges in each province: <ul style="list-style-type: none"> <li>○ feeding days reduced to a minimum of 196 days</li> <li>○ feeding cost below the above stated minimum requirements, which provide meals with maximum nutritional value as per menu specifications</li> <li>○ number of learners that exceed the gazetted quintiles</li> <li>○ serving of processed vegetables or fruit in remote areas</li> <li>○ quintile 1 to 3 schools that do not feed all learners (Gauteng and Western Cape). Letters from schools requesting a deviation from whole school feeding must be provided to the provincial office and kept on record</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The distribution formula is poverty-based in accordance with the poverty distribution table used in the National Norms and Standards for School Funding as gazetted by the Minister of Education on 17 October 2008</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The National School Nutrition Programme (NSNP) is a government programme for poverty alleviation, specifically initiated to uphold the rights of children to basic food and education</li> <li>• The conditional grant framework enables the DBE to play an oversight role in the implementation of all NSNP activities in schools</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Transferred R4 906 million to provinces</li> </ul>

<b>National School Nutrition Programme Grant</b>	
	<ul style="list-style-type: none"> <li>• Of the total available R5 043 million (including provincial roll-overs), R4 958 million (98 per cent) was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 9 159 773 learners were provided with meals nationally for an average of 195 school days</li> <li>• A total of 351 workshops were conducted on meal planning and preparation, sustainable food production and financial management across provinces for volunteer food handlers, School Governing Bodies (SGBs), educators, district officials, learners and gardeners</li> <li>• The National Nutrition Week (NNW) was successfully celebrated at Makhambane Primary school (KwaZulu-Natal) and Nyorwe Primary school (North West) respectively. The purpose of the NNW is to raise awareness on healthy eating and physical exercise to encourage healthy lifestyles</li> <li>• 5 917 schools had food gardens that are used for curriculum support and supplementing meals that are served to learners</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• It is envisaged that, given the levels of poverty in the country and the impact of various health conditions such as HIV and Aids, diabetes and debilitating chronic conditions, the need for such a grant will persist for at least another 10 years. The programme ensures learners from the poorest communities have decent opportunities to learn</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R5 462 million, 2015/16: R5 704 million, 2016/17: R6 006 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• The payment schedule will be in line with respective provincial procurement models as follows: <ul style="list-style-type: none"> <li>○ provinces that transfer funds directly to all schools (Eastern Cape, Free State, North West and Northern Cape) receive five instalments: (10 April 2014, 08 May 2014, 19 June 2014, 11 September 2014, and 09 December 2014)</li> <li>○ provinces that procure from service providers on behalf of schools receive five instalments: (10 April 2014, 08 May 2014, 05 August 2014, 23 October 2014, and 27 January 2015)</li> </ul> </li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Develop and submit approved national business plans to National Treasury</li> <li>• Evaluate, approve and submit provincial business plans to National Treasury</li> <li>• Manage, monitor and support programme implementation in provinces</li> <li>• Ensure compliance with reporting requirements and NSNP guidelines</li> <li>• Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Evaluate performance of the conditional grant and submit an evaluation report to National Treasury four months after the end of the financial year</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Develop and submit approved business plans to DBE. The business plans should include databases reflecting distribution of volunteer food handlers and cooking fuel per school</li> <li>• Monitor and provide support to districts/regions/area project officers and schools</li> <li>• Manage and implement the programme in line with the Division of Revenue Act and the Public Finance Management Act</li> <li>• Implement monitoring and evaluation plans</li> <li>• Provide human resource capacity at all relevant levels</li> <li>• Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE two months after the end of the financial year</li> <li>• Submit quarterly financial and performance reports to DBE after the end of each quarter</li> <li>• Provinces that are transferring funds to schools are required to reconcile expenditure by schools against budget transfers on a quarterly basis. Reports on actual expenditure should be submitted a month after the quarter being reported upon</li> </ul> <p><b>Responsibilities of the school districts</b></p> <ul style="list-style-type: none"> <li>• Monitoring and supporting schools</li> <li>• Submitting monthly and quarterly reports (narrative and expenditure reports to the provincial department, as well as reports on expenditure by schools, where applicable)</li> <li>• Coordinate all NSNP activities in the district</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Planning meeting by 31 July 2014</li> <li>• Consultation with district officials, provincial treasuries, provincial finance sections and National Treasury</li> <li>• Provinces submit first draft business plans to DBE by 31 October 2014</li> <li>• Inter-provincial meeting held in October 2014 to consult provinces on the 2015/16 conditional grant framework</li> <li>• DBE evaluates first draft business plans and sends comments to provinces by 25 November 2014</li> <li>• Provinces submit final business plans to DBE by 30 January 2015</li> <li>• Director-General approves national and provincial business plans by 1 April 2015</li> </ul>



<b>Technical Secondary Schools Recapitalisation Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To strengthen the implementation of the National Strategy for Mathematics, Science and Technology Education (NMSTE), by training young people in relevant technical skills within the schooling system while supporting the achievement of skills development targets set through the Skills Development Strategy III and the National Development Plan</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To recapitalise technical schools to improve their capacity to contribute to skills development and training in the country</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• To improve conditions of technical schools and modernise them to meet the teaching requirements of learners in technical fields and increase the number of suitably qualified and technically skilled graduates from these schools</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• 19 new workshops to be built to support the technical subject offerings</li> <li>• 166 existing workshops refurbished, upgraded and re-designed to comply with safety laws and regulations, and minimum industry standards</li> <li>• Equipment bought, delivered and installed at 226 workshops</li> <li>• 2 732 technical schools teachers trained in subject content and practical teaching methodologies</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk management plan</li> <li>• Annual budget and resource allocation</li> <li>• Procurement plan</li> <li>• Proof of completed procurement processes (tender contracts/quotations/memorandum of understanding)</li> <li>• Infrastructure project list</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Implementation of the grant to be prioritised in the following order: (1) building of new workshops, (2) refurbishment, re-designing and upgrading of existing workshops, (3) buying, delivering and installation of equipment, machinery and tools as well as training of end-users by the suppliers, and (4) training of technical subjects teachers on new trends, subject content, practical skills and developments in their subject field</li> </ul> <p><b>Planning process and requirements</b></p> <ul style="list-style-type: none"> <li>• Three year provincial business plans for technical schools must be submitted to and be approved by the Department of Basic Education (DBE)</li> <li>• Detailed procurement plans, proof of completed procurement processes and infrastructure project lists must accompany the business plans and these plans should be approved by the Provincial Department of Education (PED)</li> <li>• Technical schools should develop detailed yearly (operational) business plans that must demonstrate how the approved funding will be spent. These must be submitted to the province</li> </ul> <p><b>The outputs that may be funded through this grant include:</b></p> <ul style="list-style-type: none"> <li>○ Building new workshops, as well as the following: <ul style="list-style-type: none"> <li>– building of new workshops and refurbishment of existing workshops in line with the approved technology subjects offered at the school</li> <li>– the building of new workshops must take into consideration the capacity of the school to deliver the subject, the number of learners taking the subject, and the throughput rate of the school within the subject (the design and structure of the new workshops must conform to the norms and standards for physical school infrastructure and may match the existing infrastructure (where applicable), the size of a workshop for each subject must be between 120 and 480 square metres depending on the subject offered within the workshop)</li> <li>– the building and refurbishment of workshops should include all the necessary safety, health and security mechanisms such as burglar proofing and alarm systems, and the improvement of ventilation systems should be considered as part of the project. The designing and building of multi-purpose workshops is encouraged to accommodate changes and layout adjustments necessitated by the curriculum</li> <li>– the implementation of all infrastructure projects must be the responsibility of the infrastructure development division at a provincial level and such projects must be included in the provincial infrastructure list</li> <li>– provinces must report on the infrastructure projects using the Infrastructure Reporting Model tools in accordance with National Treasury requirements</li> </ul> </li> <li>○ Supply, delivery and installation of equipment, tools and machinery: <ul style="list-style-type: none"> <li>– the equipment procured should be delivered at a school where minimum safety and security measures have been put in place</li> <li>– the procurement of computer equipment for Engineering and Graphics Design (EGD) should include the subject related software (e.g. Turbo CAD) and training of end-users should form part of the procurement contract</li> </ul> </li> </ul>

<b>Technical Secondary Schools Recapitalisation Grant</b>	
	<ul style="list-style-type: none"> <li>– all equipment, machinery and tools should conform to the specifications developed by the DBE</li> <li>○ Training of teachers: <ul style="list-style-type: none"> <li>– teacher training in subject content and practical teaching methodologies must take place within a workshop environment using a teaching programme designed to improve the teacher's understanding and confidence in teaching practical lessons for the technology subjects in line with Curriculum and Assessment Policy Statement (CAPS) for technical schools</li> <li>– teacher training includes CAPS training for all teachers involved in the teaching of the revised technical subjects (civil, electrical, mechanical), EGD and the new Technical Mathematics and Sciences</li> <li>– a training programme that indicates the purpose, learning outcome, assessment methods and duration of the training must be in place and all participants must receive this programme in advance</li> </ul> </li> <li>• Transversal tenders may be developed and entered into where possible and provinces and schools must participate in such contracts if they do not have a similar tender/contract in place</li> <li>• Recapitalisation funds and implementation (procurement, delivery and payment) to be managed at school level, unless a transversal tender has been issued or the province has demonstrated capacity, systems and controls to efficiently manage the processes of the grant</li> <li>• Before funds can be transferred to schools, there must be assurance that systems, controls and capacity to manage the implementation and delivery processes of the grant are in place</li> <li>• Once a school has been fully recapitalised, it can be withdrawn from the grant to include another needy school(s) to extend the coverage of the grant. The withdrawal of a participating school and inclusion of a new school is dependent on the availability of funds to accommodate all participating schools and the level of support required by a school to maintain its functionality. The review of school lists must take into consideration the future delivery of technical subjects by schools. This must be approved by the provincial Head of Department (HoD), and the DBE must be informed of the action</li> <li>• Deviations of between 2 per cent and 5 per cent per annum from category allocations in business plans must be authorised by the Director General of the DBE</li> <li>• Should the entire recapitalisation process not be completed within the stipulated timeframe, an additional six months will be added to complete the project. If the funds are not completely utilised they must be redirected to other schools within the same province</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The distribution of funds is based on the needs identified in the 2009 capacity audit, a valid needs assessment made by the province for a new school and the identified technical school landscape for the province in line with the implementation of the revised curriculum</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The grant is an interim capacity improvement programme</li> <li>• Technical schools are not proportionally distributed across the provinces</li> <li>• The level of support required by schools differs across provinces</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R257 million and transferred R247 million (96.1 per cent) to provinces, of which R182 million (74 per cent) of the transferred amount was spent at year end</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 23 of a target of 44 new workshops built to support the technical subject offerings</li> <li>• 143 of a target of 260 existing workshops refurbished, upgraded and re-designed to comply with safety laws and regulations, and minimum industry standards</li> <li>• Equipment, machinery and tools bought, delivered and installed at 327 out of 328 projected workshops</li> <li>• 2 276 of a target of 2 276 technical school teachers trained in subject content delivery and new practical teaching methodologies</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• It is envisaged that the projects will be completed in three years (2014/15-2016/17)</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R234 million, 2015/16: R244 million, and 2016/17: R257 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Three instalments (30 May 2014, 31 October 2014, and 30 January 2015)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Evaluate, approve and submit provincial business plans to National Treasury</li> <li>• Provide administrative services for the grant and manage, coordinate, monitor and support programme implementation at school level</li> <li>• Provide human resource capacity at all relevant levels</li> <li>• Establish a grant steering committee and provincial recapitalisation task team. These structures must include representatives from curriculum, provincial infrastructure development units and school management teams</li> <li>• Convene bi-annual steering committee meetings and attend quarterly provincial task teams' meetings</li> <li>• Develop and provide capacity building programmes for provincial task teams to assist them in implementing the grant</li> <li>• Attend selected site meetings at schools involved in the project</li> <li>• Develop and distribute planning, implementation, monitoring and evaluation guidelines and/or templates including minimum norms and standards for infrastructure and resources</li> <li>• Develop procurement specifications and enter into transversal tenders on behalf of the schools</li> </ul>

<b>Technical Secondary Schools Recapitalisation Grant</b>	
	<ul style="list-style-type: none"> <li>• Participate in all procurement processes related to the grant performed outside of the DBE where necessary</li> <li>• Ensure compliance with reporting requirements by providing consolidated monthly, quarterly and annual reports and other monitoring or diagnostic reports and reviews as required</li> <li>• Evaluate the performance of the conditional grant and submit an evaluation report to National Treasury within four months after the end of the financial year</li> <li>• Establish and strengthen partnerships with relevant stakeholders</li> </ul>
	<p><b>Responsibilities of the provincial education departments</b></p> <ul style="list-style-type: none"> <li>• Develop and submit approved business and procurement plans/schedules to DBE</li> <li>• Assist schools in developing recapitalisation plans and in meeting the reporting requirements of the grant</li> <li>• Provide all relevant data required by the DBE such as supplier records, memorandum of understanding between schools and departments</li> <li>• Manage and implement the programme in line with the Division of Revenue Act and the Public Finance Management Act (PFMA)</li> <li>• Transfer funds to schools in accordance with the provisions of the grant framework and in line with the requirements of the PFMA</li> <li>• Participate in transversal tenders issued by the DBE or other provinces in order to procure goods and services related to the outputs of the grant</li> <li>• Monitor and provide support to districts/regions and schools</li> <li>• Implement all infrastructure projects through the infrastructure development division and ensure that all technical schools' projects are included in the provincial infrastructure list as part of the Education Infrastructure Grant requirements</li> <li>• Report on the infrastructure projects using the Infrastructure Reporting Model tools in accordance with National Treasury requirements</li> <li>• Provide human resources capacity at all relevant levels</li> <li>• Establish school project teams and convene bi-monthly meetings of the teams</li> <li>• Convene recapitalisation task teams' meetings and attend such meetings</li> <li>• Evaluate the performance of the grant and submit evaluation reports to DBE within two months after the end of the financial year</li> <li>• Establish and strengthen partnerships with relevant stakeholders</li> </ul>
	<p><b>Responsibilities of the schools</b></p> <ul style="list-style-type: none"> <li>• Develop annual operational business plans</li> <li>• Submit annual operational plans to the Provincial Education Departments (PEDs)</li> <li>• Ensure that capacity, systems and controls are in place to implement the grant</li> <li>• Receive funds from PEDs and manage the procurement, delivery and payment processes where necessary</li> <li>• Participate in the provincial recapitalisation task teams</li> <li>• Report to the DBE and province on the implementation of the grant on a monthly and quarterly basis</li> <li>• Monitor and ensure quality of work of the service provider(s) and or contractors and sign-off the completeness of the service delivery processes</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• The first draft of the consolidated provincial business plans to be submitted to DBE for appraisal by 16 January 2015</li> <li>• The DBE team will meet to evaluate the consolidated business plans by 30 January 2015</li> <li>• The comments on the business plans will be sent to provinces for amendments by 13 February 2015</li> <li>• Provinces will be required to submit the provincially approved amended business plans to DBE by 13 March 2015</li> <li>• DBE will approve the final business plans by 27 March 2015</li> <li>• Director General of the DBE approves business plans to be submitted to National Treasury by 3 April 2015</li> </ul>

<b>Occupational Specific Dispensation for Education Sector Therapists Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Basic Education (Vote 15)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To 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 the next two financial years</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To augment the baseline compensation budget of the Provincial Education Departments (PEDs) to enable them to comply with ELRC Collective Agreement 1 of 2012</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Meet the financial obligation to reach parity in costs of employment for qualifying educators covered by ELRC Collective Agreement 1 of 2012</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Provinces meet the payment obligations for educators covered by ELRC Collective Agreement 1 of 2012</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 1: Improved quality of basic education</li> </ul>
<b>Details contained in the implementation plan</b>	<ul style="list-style-type: none"> <li>The grant uses an implementation plan that includes the following: <ul style="list-style-type: none"> <li>summary of the number of affected staff including, rank, notches and nature of appointment and date of appointment</li> <li>summary of baseline budget for compensation of these employees</li> <li>indication of the shortfall between the baseline and the required amount to cover the obligation to comply with the ELRC Collective Agreement 1 of 2012</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Allocations must be used for continued implementation of occupational specific dispensation for education sector therapists, counsellors and psychologists and for reimbursement of funds spent for this purpose in 2013/14</li> <li>Provinces must develop and submit implementation plans to the national Department of Basic Education (DBE) by 31 March 2014</li> <li>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</li> <li>In the event of termination of the affected employees or natural attrition, the relevant amounts will be withheld</li> <li>A reconciliation of the utilisation of funds must be done quarterly and reflected in provinces' quarterly performance reports</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on the number of affected staff and budget shortfall in each affected PEDs required to meet the terms of the ELRC Collective Agreement 1 of 2012</li> <li>Allocations for 2014/15 include reimbursements for funds spent by provincial departments in 2012/13</li> <li>No additional allocations will be made over and above what has been allocated</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>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</li> <li>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</li> <li>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</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>For two financial years, 2014/15, and the 2015/16</li> <li>The funding for 2016/17 and beyond will be incorporated into the provincial equitable share</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R213 million, and 2015/16: R67 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>The funds will be disbursed on a quarterly basis</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Provide a quarterly reporting template to provinces by no later than 28 February 2014</li> <li>Monitor the implementation and performance of the provinces based on provincial implementation plans</li> <li>Consolidate, approve and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>Conduct monitoring and provide support to provinces</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>Manage and effect monthly payments to the eligible beneficiaries</li> <li>Submit quarterly performance reports to the national DBE within 30 days after the end of each quarter</li> </ul>
<b>Process for approval of 2015/16 financial year implementation plans</b>	<ul style="list-style-type: none"> <li>Progress reports must be tabled at the Heads of Education Departments Committee sub-committees on finance and on human resources matters</li> <li>Implementation plans must be drawn up in line with a Service Level Agreement approved by the Director General of the DBE</li> </ul>

## COOPERATIVE GOVERNANCE GRANT

<b>Provincial Disaster Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To pro-actively respond to immediate needs after a disaster has occurred</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide for the immediate release of funds for disaster response</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Immediate consequences of disasters are mitigated</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The impact of disaster is minimised</li> <li>Emergency repair of critical infrastructure and provision of essential services</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the National Disaster Management Centre (NDMC) Disaster Grant Guideline which includes the following: <ul style="list-style-type: none"> <li>copy of the classification letter in terms of the Disaster Management Act</li> <li>copy of declaration of disaster in terms of the Disaster Management Act</li> <li>number of people affected and extent of damages and losses</li> <li>items to be purchased</li> <li>critical infrastructure to be repaired, or replaced</li> <li>support received from Non-Governmental Organisations and businesses or any other stakeholder</li> <li>funds required for disaster response, emergency mitigation and recovery</li> <li>the Provincial Disaster Management Centre (PDMC) and the affected provincial sector department must indicate funds spent or contributed towards dealing with the disaster</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>This grant may only be used to fund the following expenditure as per written request for funding from the Provincial Disaster Management Centres (PDMCs): <ul style="list-style-type: none"> <li>temporary structures and/or shelters that can be fully assembled within three months, which may be required to ensure continued services as a result of damage caused by a declared disaster to critical infrastructure that provinces are responsible for providing and maintaining</li> <li>mobile classrooms or temporary structures during a declared disaster in the event that the Department of Basic Education is unable to provide these</li> <li>large scale humanitarian and other relief required that the national Departments of Social Development, Health, Agriculture, Forestry and Fisheries are not responsible for providing or are unable to provide. Proof must be obtained from the relevant department</li> </ul> </li> <li>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 2012/13</li> <li>Funds can only be released after a disaster has been declared in terms of the Disaster Management Act</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated based on the location of the declared disasters and an assessment of immediate needs</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant caters for response, recovery and relief for unforeseen and unavoidable disasters</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>R180 million was allocated and R850 thousand was transferred to the Limpopo province</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Limpopo Department of Roads and Transport: repair to access road in Mopani District Municipality</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant is expected to continue over the medium term, but will be subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R197 million, 2015/16: R204 million, and 2016/17: R215 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made subject to approval by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the National Disaster Management Centre</b></p> <ul style="list-style-type: none"> <li>Advise PDMCs about the existence of the grant and how grant funding must be applied for</li> <li>Perform assessments of disasters and verification of applications 40 days following the submission of a request for funding and as per the requirements of the Disaster Management Act</li> <li>Seek approval from National Treasury for disbursement of funds to provinces and provide written advice on the timing of disbursements to provinces and transfer these funds to provinces within five days of drawing the funds from the National Revenue Fund</li> <li>Notify the relevant provincial treasury of a transfer at least one day before transfer, and transfer the funds no later than five days after the transfer</li> <li>Notify the relevant PDMC of a transfer and reason for transfer within five days of the transfer of funds to provinces</li> <li>Build relationships and establish the necessary communication channels with relevant national departments to ensure the country has a coordinated disaster response approach</li> <li>Provide a performance report to National Treasury within 45 days after the end of each quarter during which funds are spent</li> <li>Provide National Treasury and the relevant provincial treasury with written notification of the transfer within 14 days of a transfer of this grant</li> </ul>

<b>Provincial Disaster Grant</b>	
	<p><b>Responsibilities of Provincial Disaster Management Centres</b></p> <ul style="list-style-type: none"> <li>• Advise provincial departments and municipalities about the existence of the grant and how the grant can be applied for</li> <li>• Together with the affected provincial departments and municipalities, conduct preliminary assessments of disaster impacts to verify the applications for funding within 40 days following an occurrence of the incident and as per the requirements of the Disaster Management Act</li> <li>• Assist provinces and municipalities with request for disaster funding, monitor projects and provide reports to the NDMC and provincial treasury</li> <li>• Provide a performance report to the NDMC within 30 days after the end of each quarter in which funds are spent</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provide a performance report within 30 days after the end of each quarter during which funds are spent to the NDMC and the relevant PDMC</li> <li>• Initiate requests for disaster funding when appropriate</li> <li>• Submit funding request for funding within 45 days following the declaration of a disaster</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

## HEALTH GRANTS

<b>Comprehensive HIV and Aids Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The implementation of the National Strategic Plan on HIV, STIs and TB 2012 – 2016</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To enable the health sector to develop an effective response to HIV and Aids, including universal access to HIV counselling and testing (HCT)</li> <li>• To support the implementation of the National Operational Plan for comprehensive HIV and Aids treatment and care</li> <li>• To subsidise in-part funding for the antiretroviral treatment programme</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved coordination and collaboration in the implementation of comprehensive HIV and Aids grant between national, provincial and local government</li> <li>• Improved quality of HIV and Aids services including access to: <ul style="list-style-type: none"> <li>○ HIV counselling and testing (HCT)</li> <li>○ antiretroviral treatment (ART)</li> <li>○ adherence monitoring and support</li> <li>○ prevention of TB in HIV positive people and prevention of mother-to-child-transmission (PMTCT)</li> <li>○ medical male circumcision (MMC)</li> </ul> </li> <li>• Improved health workers' capacity at the three levels of care to ensure quality service delivery to South Africans</li> <li>• Reduced HIV incidence and prevalence</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of new patients that started on ART</li> <li>• Number of patients on ART remaining in care</li> <li>• Number of male condoms distributed</li> <li>• Number of female condoms distributed</li> <li>• Number of exposed infants HIV positive at 6 weeks Polymerase Chain Reaction (PCR)</li> <li>• Number of clients tested for HIV (including antenatal)</li> <li>• Number of medical male circumcision performed</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The following priority areas must be supported through the grant: <ul style="list-style-type: none"> <li>○ ART related interventions</li> <li>○ home community based care (HCBC)</li> <li>○ condom distribution and high transmission area (HTA) interventions</li> <li>○ post exposure prophylaxis (PEP)</li> <li>○ prevention of mother-to-child transmission (PMTCT)</li> <li>○ programme management strengthening (PMS)</li> <li>○ regional training centres (RTC)</li> <li>○ HIV counselling and testing (HCT)</li> <li>○ medical male circumcision (MMC)</li> <li>○ TB/HIV collaboration</li> </ul> </li> <li>• The provincial departments must, when requested, provide the national Department of Health (DoH) with any information needed to pilot reforms of payment mechanisms to the National Health Laboratory Services</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on antenatal HIV prevalence, estimated share of Aids cases, population figures post-demarcation</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• HIV and Aids is a key national priority and requires a coordinated response for the country as a whole and this is most effectively achieved through a conditional grant</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R8 762 million to provinces</li> <li>• Of the total available R8 884 million (including provincial roll-overs), R8 807 million (99.1 per cent) was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 8 723 lay counsellors trained and providing services at service points</li> <li>• 100 per cent of facilities were providing HCT services</li> <li>• 83 616 people received counselling and 98 per cent were tested for HIV, (including pregnant women)</li> <li>• 4 282 158 beneficiaries had access to HCBC services</li> <li>• 3 327 health facilities offering ART services</li> <li>• 2.3 million patients were on ART</li> <li>• 869 high transmission intervention sites in operation</li> </ul>

<b>Comprehensive HIV and Aids Grant</b>	
	<ul style="list-style-type: none"> <li>• 98 per cent of new-born babies received nevirapine</li> <li>• 99.9 per cent of PHC facilities offer PMTCT services</li> <li>• 442 518 medical male circumcision performed</li> <li>• 529 925 male condoms distributed</li> <li>• 11 677 female condoms distributed</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing in line with National Strategic Plan on HIV and Aids</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R12 311 million, 2015/16: R13 957 million, and 2016/17: R15 697 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Monthly installments based on the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>• Visit provinces twice a year to monitor implementation and provide support</li> <li>• Monitor ARV supplier payments by provinces</li> <li>• Meet with National Treasury to review performance of the grant</li> </ul>
	<b>Responsibilities of the provincial departments</b> <ul style="list-style-type: none"> <li>• Quarterly performance output reports to be submitted within 30 days following the reporting period, using standard formats as determined by the national department. Submit an electronic version to be followed by a hard copy signed by the provincial grant receiving manager</li> <li>• Clearly indicate measurable objectives and performance targets as agreed with the national department in provincial departmental business plans for 2014/15, and over the Medium Term Expenditure Framework</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provincial departments of health to sign and submit business plans to DoH by 28 February 2015</li> <li>• DoH to sign off and certify provincial business plans by 31 March 2015</li> </ul>



<b>Health Facility Revitalisation Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enable provinces to plan, manage, maintain and transform health infrastructure in line with national and provincial policy objectives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including: health technology, organisational design (OD) systems and quality assurance (QA)</li> <li>• Supplement expenditure on health infrastructure delivered through public-private partnerships</li> <li>• To enhance capacity to deliver health infrastructure</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved service delivery by provincial departments as a result of an improved and increased quality of health services</li> <li>• Improved quality and well maintained health infrastructure (backlog and preventative maintenance)</li> <li>• Improved rates of employment and skills development in the delivery of infrastructure</li> <li>• Value for money and cost effective design of facilities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of health facilities, planned, designed, constructed, equipped, operationalised and maintained</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The business plan in this grant will be replaced by the Infrastructure Programme Management Plan (IPMP), the User-Asset Management Plan (U-AMP), Annual Implementation Plan (AIP) and the Infrastructure Programme Implementation Plan (IPIP), and will include the following: <ul style="list-style-type: none"> <li>○ projects funded in 2014/15, 2015/16, and 2016/17</li> <li>○ annual project milestones</li> <li>○ quarterly cash flow projections per project for 2014/15</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• With the exception of funding for costs incurred on business case and project brief development, all new/replacement hospitals, nursing colleges and nursing schools projects commencing construction in 2014/15 must have business cases and Project Execution Plans (costed project master plans) approved before funds can be released for such projects</li> <li>• All the new projects should follow project implementation stages as prescribed in the Project Implementation Manual (PIM)</li> <li>• Provincial Departments of Health (PDoH) must submit 2014/15 AIPs signed-off by the Head of Department (HoD) with the organisational structure of the infrastructure unit to the national Department of Health (DoH) for approval by 28 February 2014</li> <li>• The 2014/15 MTEF project list as captured in the AIP should comply with the following allocations: <ul style="list-style-type: none"> <li>○ minimum of 25 per cent of the grant allocation for maintenance of infrastructure</li> <li>○ minimum of 25 per cent of the grant allocation for rehabilitation, refurbishment and repair, upgrades and additions of infrastructure</li> <li>○ maximum of 50 per cent of the grant allocation should be allocated for new and replacement infrastructure</li> </ul> </li> <li>• Provinces may deviate from these allocation proportions if approval from DoH is obtained by 28 February 2014</li> <li>• Provinces must utilise a maximum of R16 million from the allocated budget for technical capacity to implement the infrastructure projects</li> <li>• Provinces must submit monthly financial reports and quarterly non-financial reports in a prescribed form</li> <li>• 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</li> <li>• PDoH must enter into Service Delivery Agreements (SDAs) with their IAs</li> <li>• Appropriately qualified built environment representatives from the provincial departments infrastructure units must assist in the procurement of professional service providers and contractors by its IA, through representation as a member on the specification, evaluation and adjudication committees of the IA</li> <li>• All PDoH must submit a procurement plan as per Infrastructure Delivery Management System (IDMS) for infrastructure projects as compiled by the IA to their provincial treasury and DoH by 30 April 2014 for the 2014/15 financial year</li> <li>• The DoH after consultation with National Treasury will withhold transfers if the province is under-spending</li> <li>• All new/replacement hospitals, nursing colleges and nursing schools must follow peer review stages as per PIM</li> <li>• Additional funds have been added to this grant for the reconstruction and rehabilitation of infrastructure damaged by floods in the 2011/12 and 2012/13 financial years. The following amounts per province must be used for the repair of infrastructure damaged by natural disasters declared in the Government Gazette and as assessed by the NDMC: <ul style="list-style-type: none"> <li>○ KwaZulu-Natal: R0.26 million</li> <li>○ Mpumalanga: R0.88 million</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations for 2014/15 are project based</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Funding infrastructure through a conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner and ensure it is consistent with national norms, standards and guidelines for health facilities</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• <i>Hospital Revitalisation Grant</i>: Allocated and transferred R4 527 million (including roll-overs). Of the total transferred, R3 660 million (81 per cent) was spent</li> <li>• <i>Health Infrastructure Grant</i>: Allocated and transferred R1 911 million (including roll-overs). Of the total transferred, R1 804 million (94.4 per cent) was spent</li> </ul>

<b>Health Facility Revitalisation Grant</b>	
	<ul style="list-style-type: none"> <li>• <i>Nursing Colleges and Schools Grant</i>: Allocated and transferred R100 million. Of the total transferred, R72.4 million (72.4 per cent) was spent</li> </ul>
	<p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• <i>Hospital Revitalisation Grant</i>: A total 85 projects received funding from this grant</li> <li>• <i>Health Infrastructure Grant</i>: A total of 354 projects received funding from this grant and 36 were completed and handed over by the contractors</li> <li>• <i>Nursing Colleges and Schools Grants</i>: A total of 32 projects were funded from this grant for maintenance and upgrades</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Health is a key government priority and given the need to continually maintain health infrastructure and ensure that norms and standards are maintained, the grant will remain in place until at least the end of the 2016/17 Medium Term Expenditure Framework</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R5 240 million, 2015/16: R5 389 million, and 2016/17: R5 652 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Quarterly transfers</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Conduct provincial sites visits</li> <li>• Attend provincial Infrastructure Progress Review Meetings</li> <li>• Provide guidance to provinces in planning and prioritisation and evaluating U-AMP, IPMP, AIP and prioritised projects that provinces develop and submit</li> <li>• Submit quarterly performance reports to National Treasury, National Council of Provinces and National Health Council within 45 days after the end of each quarter</li> <li>• Update project implementation manual</li> <li>• Peer review and feedback processes should be undertaken timeously</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial departments must establish committees with the relevant IAs and hold monthly meetings that are minuted to review progress on the IPMP, IPIP and IDMS</li> <li>• Provinces must submit to DoH monthly and quarterly reports for all projects funded in the 2014/15 financial year in this grant through the PMIS and IRM</li> <li>• Provinces must submit monthly and quarterly reports in the prescribed format to DoH</li> <li>• PDoH must align infrastructure plans (U-AMP and IPMP) with their respective Service Transformation Plans, Strategic Plans and Annual Performance Plans</li> <li>• All projects in retention must be closed within 12 months of works completion</li> <li>• Adhere to all immovable asset management and maintenance responsibilities as prescribed by the Government Immovable Asset Management Act of 2007 (GIAMA), and the provincial IDMS</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Submission of draft 2015/16 U-AMP to be submitted to DOH by 26 July 2014</li> <li>• Submission of first draft IPMPs for 2015/16 by PDoH to IAs by 20 September 2014</li> <li>• Implementing department(s) or Agent(s) must submit the first draft IPIP for 2015/15 to PDoH by 30 November 2014</li> <li>• Submission of the first draft AIP by 20 January 2015</li> <li>• Submission of the final IPMP, U-AMP and IPIP for 2015/16 by PDoH to DoH by 30 November 2014</li> </ul>

<b>Health Professions Training and Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To contribute to the implementation of the national human resource plan for health through the clinical teaching and training of health professionals, in designated public health facilities in South Africa</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>Support provinces to fund service costs associated with training of health science trainees on the public service platform</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Progressive realisation of the national human resource plan for health</li> <li>Clinical teaching and training capacity established in designated developmental provinces (Northern Cape, North West, Limpopo, Mpumalanga, and Eastern Cape)</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of undergraduate health science trainees</li> <li>Number of registrars and other post graduate health science trainees</li> <li>Other health science trainees supervised on the public health service platforms per statutory requirements</li> <li>Number of clinical teaching and training personnel in designated developmental provinces</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities, including the following: <ul style="list-style-type: none"> <li>monitoring and reporting</li> <li>evaluation</li> <li>assumptions and risks</li> <li>funding</li> <li>progress on performance</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>A provincial business plan must have been submitted in the approved format by end February 2014</li> <li>Provinces receiving a developmental portion (Northern Cape, North West, Limpopo, Mpumalanga and Eastern Cape) must indicate the specific clinical teaching and clinical training personnel capacity established on the public health service platform, by reporting on the number of health professionals recruited and retained for this function</li> <li>The service platform and accessing thereof for training need to be developed after consultation with the appropriate institutes for higher education</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Until further technical work is completed, allocations will be progressively recalibrated based on a uniform weighted cost per trainee per category, the distribution of trainees and funding allocated towards approved developmental functions</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Provinces give effect to the national human resource strategy by training health science trainees on the public health service platform. Coordination of the number of health science trainees to be trained and health trainee student programmes happens at a national level</li> <li>The number and type of students in different provinces does not correspond to the distinction of the provincial equitable share</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>Allocated and transferred R2 076 million to provinces</li> <li>Of the total available R2 085 million, (including provincial roll-overs), 99.6 per cent was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Provincial achievements in training and development by discipline: <ul style="list-style-type: none"> <li>27 008 medical students and professional nursing students</li> <li>2 725 registrars</li> <li>1 155 specialists</li> <li>64 registrars/specialists involved in outreach services</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will remain as long as health science trainees are trained on the public service health platform</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R2 322 million, 2015/16: R2 429 million, and 2016/17: R2 557 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Monthly installments</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Provide the guidelines, criteria and norms for the development, distribution and utilisation of the grant, as well as approval of the provincial business plans</li> <li>Monitor implementation and provide support visits to provinces</li> <li>Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>Establish a national governance structure with the national Department of Higher Education and Training</li> </ul>

<b>Health Professions Training and Development Grant</b>	
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submit monthly financial reports to the national Department of Health (DoH)</li> <li>• All provinces must monitor the following categories of trainees on the health platform by their category, province and training institution: undergraduate health science trainees, post graduate health science trainees and other health science trainees supervised on the public health service platform as per statutory requirements</li> <li>• Quarterly reporting by provinces on the quarterly achievements against the outputs and targets as demonstrated in the business plan, using the prescribed format must be submitted to DoH within 30 days after the end of each quarter. Annual evaluation performance reports containing details of outputs of this grant must be submitted to DoH by the end of May 2015</li> <li>• The training platform and accessing thereof need to be developed after consultation with the appropriate institutes for higher education</li> <li>• Participate in the national governance structure</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Business plans signed by the provincial Head of Department and approved by DoH in the prescribed format must be finalised by the end of February 2015</li> </ul>

<b>National Health Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• This grant has three components: (1) National Health Insurance (NHI), (2) Health Facility Revitalisation, and (3) Human Papillomavirus (HPV) vaccination</li> <li>• 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</li> <li>• To reduce the incidence of cancer of the cervix through the introduction of the HPV vaccination to grade 4 school girls</li> <li>• As specified further in the three component frameworks</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To address capacity constraints in the provinces and to create an alternate track to speed up infrastructure delivery</li> <li>• To improve spending, performance, monitoring and evaluation on NHI pilots and infrastructure projects</li> <li>• To fund the introduction of the HPV vaccination programme in schools</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• As specified in the three component frameworks</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• As specified in the three component frameworks</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• As specified in the three component frameworks</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• As specified in the three component frameworks</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• As specified in the three component frameworks</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The provinces have not demonstrated capacity to deliver on these three components</li> <li>• As specified in the three component frameworks</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• New grant introduced in 2013/14</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• New grant introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• It is likely this will be a temporary grant, with the following three components: <ul style="list-style-type: none"> <li>○ the NHI component which will ultimately be phased into the NHI fund once established</li> <li>○ the Health Facility Revitalisation component which will be progressively phased back to the provinces as provincial capacity improves</li> <li>○ the HPV vaccination component which will run for two years</li> </ul> </li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R1 575 million, 2015/16: R1 635 million, and 2016/17: R1 516 million of which the three components are: <ul style="list-style-type: none"> <li>○ NHI: 2014/15: R395 million, 2015/16: R414 million, and 2016/17: R401 million</li> <li>○ Health Facility Revitalisation: 2014/15: R980 million, 2015/16: R1 021 million, and 2016/17: R1 115 million</li> <li>○ HPV vaccination 2014/15: R200 million, and 2015/16: R200 million</li> </ul> </li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• As specified in the three components frameworks</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• As specified in the three component frameworks</li> </ul> <p><b>Responsibilities of the provincial department</b></p> <ul style="list-style-type: none"> <li>• As specified in the three component frameworks</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• As specified in the three component frameworks</li> </ul>

<b>National Health Grant: National Health Insurance Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To strengthen aspects of the public healthcare system in preparation for National Health Insurance (NHI)</li> <li>• To strengthen the design of NHI through the innovative testing of new reforms in pilot sites</li> <li>• A public health care system that is better prepared to implement reforms necessary for NHI</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To develop and implement innovative models for contracting medical practitioners within the NHI pilot districts</li> <li>• To identify and test alternative reimbursement models for central hospitals in readiness for the phased implementation of NHI</li> <li>• To support central hospitals in strengthening health information systems and revenue management</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Appropriate and innovative models for contracting medical practitioners within selected NHI pilot districts identified and tested</li> <li>• Development of a Diagnosis-Related Group (DRG) as a reimbursement mechanism for central hospitals</li> <li>• Strengthened information systems and revenue management at central hospitals</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Innovative models for the contracting of medical practitioners within selected NHI pilot districts</li> <li>• Phase 1 of DRG tool development undertaken</li> <li>• 200 medical practitioners contracted to render services at health facilities in NHI pilot districts</li> <li>• Models for strengthening information and revenue management systems and an identified reimbursement mechanism for central hospitals</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan and service level agreements</b>	<ul style="list-style-type: none"> <li>• The business plan and Service Level Agreements (SLAs) for the NHI component will include information on the following: <ul style="list-style-type: none"> <li>○ outcome indicators</li> <li>○ output indicators</li> <li>○ key activities and resource schedule</li> <li>○ monitoring and evaluation plan</li> <li>○ cash flow requirements for 2014/15</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The national Department of Health (DoH) will establish two National Technical Task Teams (NTTT), as follows: <ul style="list-style-type: none"> <li>○ medical practitioners contracting NTTT: will coordinate the planning and, implementation, of projects for the contracting of medical practitioners within selected NHI pilot districts</li> <li>○ DRG NTTT: plan, coordinate, provide technical support/advice and oversee the work on central hospitals</li> </ul> </li> <li>• DoH must, through the respective NTTTs, develop and submit by 29 April 2014, a framework outlining how the grant will operate, its systems and rules and the responsibility and functions of each sphere</li> <li>• Implementation of, or spending on, any project in a provincial facility, may only take place if DoH has signed an Service Level Agreement (SLA) with the provincial Department of Health on the respective responsibilities of each party with respect to that project in accordance with section 238 of the Constitution and the allocation of functions and powers in the National Health Act</li> <li>• DoH must enter into a SLA with the relevant provincial Department of Health regarding the contracting of medical practitioners in accordance with the Public Service Act (1994) as amended, or the applicable procurement prescripts, as the case may be. The SLA must include information on the availability of facilities and equipment for medical practitioners to deliver specified services, the recruitment and placement of medical practitioners in facilities, contract management arrangements and the determination and piloting of reimbursement mechanisms for medical practitioners. Any proposed changes to the SLAs must be formally approved by DoH</li> <li>• No province will be permitted to opt out of entering into an SLA in order to undertake this work independent of the systems and processes determined by the DoH and the respective NTTT</li> <li>• Project level administrative expenditure must not exceed a maximum of 3 per cent of the total grant funding. No activity that is linked to the responsibility of DoH that falls outside this scope may be funded through this grant</li> <li>• The grant must be used to achieve the objectives in the following areas: <ul style="list-style-type: none"> <li>○ development and testing of innovative models for contracting medical practitioners within selected NHI pilot districts</li> <li>○ identification of the most appropriate alternative reimbursement mechanisms for central hospitals</li> <li>○ strengthening information systems and revenue management at central hospitals</li> <li>○ other areas approved in consultation with the National Treasury</li> </ul> </li> <li>• The 10 central hospitals included in this arrangement for 2014/15 are as follows: <ul style="list-style-type: none"> <li>○ Charlotte Maxeke Academic Hospital (Gauteng)</li> <li>○ Steve Biko Academic Hospital (Gauteng)</li> <li>○ Dr George Mukhari Academic Hospital (Gauteng)</li> <li>○ Chris Hani Baragwanath Academic Hospital (Gauteng)</li> <li>○ Universitas Academic Hospital (Free State)</li> <li>○ Inkosi Albert Luthuli Academic Hospital (KwaZulu-Natal)</li> <li>○ King Edward VIII (KwaZulu-Natal)</li> </ul> </li> </ul>

<b>National Health Grant: National Health Insurance Component</b>	
	<ul style="list-style-type: none"> <li>○ Groote Schuur Academic Hospital (Western Cape)</li> <li>○ Tygerberg Hospital (Western Cape)</li> <li>○ Nelson Mandela Academic Hospital (Eastern Cape)</li> <li>● Final business plans for the grant for 2014/15 must be submitted to the National Treasury within 14 days after the Division of Revenue Act takes effect, incorporating operational plans for contracting of medical practitioners and central hospitals respectively</li> <li>● Quarterly performance and monthly and quarterly financial reports must be submitted to the National Treasury. Where appropriate, financial reporting must include spending per province or national. The National Treasury, in consultation with the DoH, may require specific changes to the format and content of such reports and business plan</li> <li>● The DoH must put in place an evaluation strategy using independent external experts to evaluate the interventions funded through this grant</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>● Work in Central hospitals will be undertaken taking into account the capacity of their information systems and readiness to test the identified alternative reimbursement mechanism(s)</li> <li>● Health facilities in the NHI districts with the greatest need for medical practitioners and where medical practitioners are willing to work in the facility will be prioritised</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>● The lack of sufficient capacity at provincial level to pilot contracting of medical practitioners and revenue management in central hospitals</li> <li>● The importance of central coordination in development of models and the establishment of NHI to inform ongoing NHI designs</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>● New grant introduced in 2013/14</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>● New grant introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● Subject to policy developments that will be finalised as part of the implementation of National Health Insurance</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>● 2014/15: R220 million, 2015/16: R244 million, and 2016/17: R267 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● Payments will be made according to verified invoices or advance payments in line with approved Programme Implementation Plans from the service providers</li> </ul>
<b>Responsibilities of the national transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>● Convene and chair all meetings of the NTTTTs</li> <li>● Ensure that the medical practitioners contracting NTTTT must at a minimum comprise of a representative from the each provincial Department of Health</li> <li>● The DRG NTTTT must at a minimum comprise of a representative from each of the identified central hospitals</li> <li>● Submit approved SLAs, supporting project plans and lists to the National Treasury</li> <li>● Establish the necessary organisational 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</li> <li>● Provide the guidance and support for innovative arrangements of engaging public and private sector providers, including methods of contracting (types of contracts and payment mechanisms)</li> <li>● Manage, monitor and support programme implementation in provinces, selected pilot districts and selected central hospitals including regular visits to project sites</li> <li>● Submit monthly financial and quarterly performance reports, including meeting summaries where necessary, to National Treasury 20 days after the end of each month</li> <li>● Submit quarterly performance reports to national Treasury within 45 days after the end of each quarter</li> <li>● Include in the annual performance evaluation report of the grant required by the Division of Revenue Act the lessons learnt, including failures experienced and how these lessons will inform the design of future interventions</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>● Ensure compliance with all reporting requirements and adherence to the provisions of SLAs</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>● DoH to submit first draft SLAs and business plans to national Treasury by end of December 2014</li> <li>● DoH must submit final SLAs and business plans to National Treasury by 28 March 2015</li> </ul>

<b>National Health Grant: Health Facility Revitalisation Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To plan, manage, maintain and transform health infrastructure in line with national and provincial policy objectives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health, including health technology, organisational systems (OD) and quality assurance (QA) in National Health Insurance (NHI) pilot districts</li> <li>Supplement expenditure on health infrastructure delivered through public-private partnerships</li> <li>To enhance capacity to deliver infrastructure in health</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved quality of and well maintained health infrastructure (backlog and preventative maintenance)</li> <li>Improved rates of skills development in the delivery of infrastructure</li> <li>Value for money and cost effective facilities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of health facilities, planned, designed, constructed, equipped, operationalised and maintained</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the infrastructure programme management plan and the infrastructure programme implementation plan</b>	<ul style="list-style-type: none"> <li>The grant uses the Infrastructure Programme Management Plan (IPMP) and Infrastructure Programme Implementation Plan (IPIP) in the template provided by National Treasury. The plans must be submitted to National Treasury by 31 May 2014, and will include the following: <ul style="list-style-type: none"> <li>costed project lists containing information per project as required by National Treasury for 2014/15, 2015/16, and 2016/17</li> <li>projected milestones for procurement strategies</li> <li>human resource plan</li> <li>monitoring and evaluation plan</li> </ul> </li> <li>Project proposals (business cases) for new hospitals must be submitted to National Treasury</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The national Department of Health (DoH) must, in consultation with the provinces, develop and submit within 30 days of the promulgation of the 2014 Division of Revenue Act, an intergovernmental protocol agreement signed by provincial and national departments, 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"> <li>a list of the projects that are benefiting from the grant</li> <li>an indication of how projects will support the achievement of sector priorities</li> <li>an indication of how projects are aligned to the strategic plans and service transformation plans for provincial health departments</li> <li>confirmation by province that operational budgets (i.e. personnel, equipment, etc.) and maintenance budgets are affordable and will be made available for all new assets constructed or acquired</li> </ul> </li> <li>The signed protocols should be submitted to National Treasury by 31 May 2014</li> <li>This is a schedule 6, part A allocation (in-kind grant) administered by the DoH and it may be converted into an allocation in the Health Facilities Revitalisation Grant (in terms of section 21 of the Division of Revenue Act) and transferred to a province if the province is able to demonstrate, through proven track record, that it has the capacity to implement and spend the money. The DoH must submit such assessments to National Treasury by 15 August 2014</li> <li>Any project in the planning or construction phases must have an approved project proposal (business case)</li> <li>DoH must submit monthly financial and quarterly non financial infrastructure reports to National Treasury within 30 days of the end of each quarter</li> <li>The provincial departments should report the progress of the projects under this grant in their annual reports and describe how these facilities have been considered in their future planning and budgeting</li> <li>DoH must maintain up to date databases (Project Management Information System (PMIS), Infrastructure Reporting Model (IRM) and Register of Projects) for all contracts that are fully or partially funded by this grant</li> <li>DoH must convene quarterly Progress Review Committee meetings with all project managers to monitor and oversee the performance of all funded projects</li> <li>All completed projects must have a close out report with a documented maintenance plan</li> <li>All projects in retention must be closed within twelve months of practical completion</li> <li>National Treasury may request copies of any documentation and may withhold grant funding if there is non-compliance with any of the conditions above</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations for 2014/15 are project and performance based</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Funding infrastructure through an indirect conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner that is consistent with national norms, standards and guidelines for health facilities</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>New grant introduced in 2013/14</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>New grant introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Health is a key government priority and given the need to continually maintain health infrastructure and ensure that norms and standards are maintained, the grant will remain in place until at least the end of the 2014 Medium Term Expenditure Framework</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R980 million, 2015/16: R1 021 million, and 2016/17: R1 115 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Monthly payments made according to verified and approved invoices from services providers</li> </ul>



<b>National Health Grant: Health Facility Revitalisation Component</b>	
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Build and demonstrate the capacity necessary to manage this grant</li> <li>• DoH must ensure that infrastructure plans are aligned to the Annual Performance Plans and must take cognisance of existing infrastructure projects in provinces</li> <li>• Undertake the full infrastructure development cycle for all the projects (or as otherwise agreed with provinces) under the grant and management thereof, with all the necessary planning and documentation required above</li> <li>• Appoint project level supervision via professional teams for level 2 and level 4 supervision on single projects or a cluster of projects depending on the nature and complexity of projects, for all projects under this grant as well as provincial direct grants</li> <li>• Implement and manage project management and progress review meetings and reporting</li> <li>• Submit all quarterly and annual progress and performance reports</li> <li>• Collaboration and coordination with provincial departments for the full development cycle of infrastructure development in respect of projects funded by this grant</li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces will provide all the available information, data and other available and necessary documents in respect of the projects under this grant to DoH</li> <li>• Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant by the DoH</li> <li>• All immovable asset management and maintenance responsibilities of the completed projects under this grant as prescribed by the Government Immovable Asset Management Act of 2007, rests with provinces</li> </ul>
<b>Process for approval of 2015/16 annual implementation plans</b>	<ul style="list-style-type: none"> <li>• Submission of the final Infrastructure Programme Management Plans, Infrastructure Programme Implementation Plans and Annual Implementation Plan for 2015/16 by 28 February 2015</li> </ul>

<b>National Health Grant: HPV Vaccination Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To reduce the incidence of cancer of the cervix through the introduction of the Human Papillomavirus (HPV) vaccination for grade 4 school girls</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To enable the health sector to prevent cervical cancer by making available HPV vaccination for grade 4 school girls</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased access to HPV vaccines by grade 4 school girls</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• 80 per cent grade 4 school girls received the HPV vaccination</li> <li>• 80 per cent of schools with grade 4 girls reached by the HPV vaccination team</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk management plans</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Completion of a Service Level Agreement (SLA) in the prescribed format between each provincial department and the national Department of Health (DoH)</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations based on the number of grade 4 girls and schools with grade 4 from the Education Management Information System (EMIS) in each province</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Cervical cancer is a high national priority and in order to have the desired impact of reducing cervical cancer significantly, the minimum coverage should be 80 per cent</li> <li>• A coordinated response for the country as a whole is required to ensure rapid and uniform introduction of the vaccine. Funding will be shifted to the equitable share in 2016/17</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• New grant introduced in 2013/14</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• New grant introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The grant is projected to end in 2015/16</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R200 million, and 2015/16: R200 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payment will be made according to verified invoices or advance payments in line with approved HPV programme implementation plans</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Establish a project management unit (PMU) to manage the HPV vaccination programme</li> <li>• Procure and distribute vaccines and other resources as per provincial HPV implementation plans</li> <li>• Monitor and support provincial planning and implementation</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Meet with National Treasury to review performance of the grant</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme</li> <li>• Provinces must submit a HPV implementation plan and micro plan for each district using standard formats as determined by the DoH</li> <li>• Submit to DoH an electronic version and/or a faxed hard copy signed by the provincial grant receiving manager, Chief Financial Officer and the Head of Department</li> <li>• Provinces must indicate all sources of funding for the programme in their business plans</li> <li>• Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department</li> <li>• Clearly indicate measurable performance targets as agreed with the national department for 2014/15, and 2015/16</li> <li>• Assign a person to manage the HPV vaccination programme</li> <li>• Provide human resource capacity and transport at all relevant levels</li> </ul>
<b>Process for approval of 2015/16 service level agreement</b>	<ul style="list-style-type: none"> <li>• Completion of SLA in the prescribed format, signed by each receiving officer, and the transferring national officer by 31 March 2015</li> </ul>

<b>National Health Insurance Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Improve the performance of the District Health System through testing service delivery and provision innovations in readiness for the implementation of the National Health Insurance (NHI)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Test innovations in health services delivery and provision for implementing NHI, 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</li> <li>• To undertake health system strengthening activities in identified focus areas</li> <li>• To assess the effectiveness of interventions/activities undertaken in the districts funded through this grant</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Strengthened district capacity for monitoring and evaluation, including research/impact assessment reports on selected interventions</li> <li>• Strengthened coordination and integration of existing municipal ward-based outreach teams within pilot districts</li> <li>• Strengthened supply chain management</li> <li>• Strengthened monitoring and evaluation of direct delivery of chronic medication to patients</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Existing municipal ward-based outreach teams equipped to collect relevant data from households</li> <li>• Monitoring and evaluation, including impact assessment of the effectiveness of existing municipal ward-based outreach teams undertaken</li> <li>• Monitoring and evaluation of direct delivery of chronic medication to patients undertaken to support efficient and effective provision of health services within the district</li> <li>• Lean principles for supply chain management in relation to the non-negotiables implemented</li> <li>• Research/impact assessment reports on district capacity for monitoring and evaluation, in selected interventions</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Key activities</li> <li>• Monitoring and evaluation plan</li> <li>• Cash flow requirements</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• The grant must be used to achieve the following objectives for each component, as is relevant to the specific district: <ul style="list-style-type: none"> <li>○ existing municipal ward-based outreach teams equipped to collect relevant data from households</li> <li>○ monitoring and evaluation, including impact assessment of the effectiveness of existing municipal ward-based outreach teams undertaken</li> <li>○ monitoring and evaluation of direct delivery of chronic medication to patients undertaken to support efficient and effective provision of health services within the district</li> <li>○ lean principles for supply chain management implemented in relation to the non-negotiables</li> </ul> </li> <li>• The ten pilot districts selected for 2014/15 are: <ul style="list-style-type: none"> <li>○ OR Tambo (Eastern Cape)</li> <li>○ Thabo Mofutsanyana (Free State)</li> <li>○ Tshwane (Gauteng)</li> <li>○ uMzinyathi (KwaZulu-Natal)</li> <li>○ uMgungundlovu (KwaZulu-Natal)</li> <li>○ Vhembe (Limpopo)</li> <li>○ Gert Sibande (Mpumalanga)</li> <li>○ Pixley ka Seme (Northern Cape)</li> <li>○ Dr Kenneth Kaunda (North West)</li> <li>○ Eden (Western Cape)</li> </ul> </li> <li>• The selected districts must comply with the stipulated provisions relating to monitoring and evaluation of progress in relation to agreed performance indicators as outlined in approved business plans</li> <li>• The selected districts must allocate funding towards monitoring and evaluation, including research/impact assessments on selected interventions</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The selection of the pilot districts considers demography, population epidemiology, managerial capacity at district and facility level, and overall district health system performance</li> <li>• Each district is allocated the same amount</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The implementation of NHI will be undertaken through a phased approach over a 14 year period. A conditional grant enables effective roll-out of the NHI pilots and allows DoH direct oversight over the pilot sites and the activities thereof</li> </ul>

<b>National Health Insurance Grant</b>	
<b>Past performance</b>	<b>2012/13 audited financial outcome</b> <ul style="list-style-type: none"> <li>• New grant introduced in 2013/14</li> </ul>
	<b>2012/13 service delivery performance</b> <ul style="list-style-type: none"> <li>• New grant introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Subject to policy developments that will be finalised as part of the implementation of NHI</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R70 million, 2015/16: R74 million, and 2016/17: R78 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Quarterly installments</li> </ul>
<b>Responsibilities of the national transferring officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>• Given the formation of the new NHI grant and amended allocations, the 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</li> <li>• Provide the guidelines for the development, distribution and utilisation of the grant as well as approval of the description of the interventions in the relevant business plans</li> <li>• Provide the guidance and support to provinces and selected pilot districts on innovative arrangements of engaging public and private sector providers, including methods of contracting (types of contracts and payment mechanisms)</li> <li>• Determine the interventions that will be implemented in each of the selected pilot districts</li> <li>• Monitor implementation of pilot projects, including visits to provinces and selected districts</li> <li>• Commission independent external expert evaluation of the progress and effectiveness of interventions tested in the pilot districts</li> <li>• Submit consolidated quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Facilitate a partnership with the provinces in the selection of the pilot districts, and monitoring and evaluation of interventions in order to ensure their experiences inform further NHI design work</li> <li>• 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</li> </ul>
	<b>Responsibilities of the provincial departments</b> <ul style="list-style-type: none"> <li>• Submit monthly financial reports to DoH within 20 days after the end of each month</li> <li>• Reporting quarterly on the achievements of selected pilot districts against the outputs and targets stipulated in the approved business plans, using the prescribed format. Reports must be submitted to DoH within 30 days after the end of each quarter</li> <li>• Submit detailed operational plans to the DoH within 30 days after the start of the financial year</li> <li>• Submit the annual performance evaluation report containing details of outputs of this grant to DoH by the end of May 2014</li> <li>• Each province must demonstrate evidence of the scalability of the interventions and frameworks developed from the interventions to other districts</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces to submit first draft plans for selected pilot sites by the end of November 2014</li> <li>• Provinces to submit second draft business plans for selected pilot sites by 6 February 2015</li> <li>• Provinces must submit final business plans for selected pilot districts by 27 February 2015</li> </ul>

<b>National Tertiary Services Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 16)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform in line with a national tertiary services plan</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Ensure provision of tertiary health services for all South African citizens</li> <li>• To compensate tertiary facilities for the additional costs associated with provision of these services</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Modernised and transformed tertiary services that allow for improved access and equity to address the burden of disease</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Provision of designated central and national tertiary services in 27 hospitals/complexes as agreed between the province and the national Department of Health (DoH)</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the Service Level Agreement</b>	<ul style="list-style-type: none"> <li>• This grant uses a Service Level Agreement (SLA) which is signed by each province and contains the following: <ul style="list-style-type: none"> <li>○ national guidelines on definitions of tertiary services that may be funded by the grant</li> <li>○ designated tertiary services funded by the grant, by facility in each province</li> <li>○ number of inpatient separations, inpatient days, day patient separations, outpatient first visits, outpatient follow-up visits per facility per year</li> <li>○ monitoring and reporting responsibilities</li> <li>○ validation and revision of data</li> <li>○ deviations or changes to tertiary services</li> <li>○ referral responsibilities</li> <li>○ business Plan</li> <li>○ National Tertiary Services Grant (NTSG) funded hospitals/complex budget letter</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Completion of a national SLA in the prescribed format, together with the NTSG funded hospital/complex budget letter signed by the provincial head of department or receiving officer by 28 February 2014, and the national department/transferring officer by 25 March 2014</li> <li>• Completion of a provincial SLA signed by the provincial receiving officer and the benefitting institution by 31 March 2014, and submission to DoH by 30 April 2014</li> <li>• The grant allocation to each central/provincial tertiary facility must not exceed a maximum of 85 per cent of the total facility budget</li> <li>• Provinces must gazette allocations to individual hospitals/complexes as per the SLA by 30 April 2014</li> <li>• Institutions receiving the grant must report on expenditure monthly, in the prescribed format, to the provincial department</li> <li>• Provinces must maintain a separate budget for each of the 27 benefitting hospitals/complexes</li> <li>• Each benefitting hospital/complex's equitable share allocation, must be provided by the receiving officer to the transferring officer by 30 April 2014</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Based on historical allocations and spending patterns</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• There are significant cross boundary flows associated with tertiary services that are not affected by provincial boundaries due to their specialised nature</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R8 878 million to provinces</li> <li>• Of the total available R8 909 million (including provincial rollovers), 98.9 per cent was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Provincial tertiary services performance was measured against the Service Level Agreements (SLAs) and the total patient activity rendered was: <ul style="list-style-type: none"> <li>○ 619 691 inpatient separations</li> <li>○ 3 605 761 inpatient days</li> <li>○ 270 558 day patient separations</li> <li>○ 1 055 655 outpatient first visits</li> <li>○ 2 884 864 outpatient follow up visits</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Support for tertiary services will continue because of the need for sustaining and modernising tertiary services</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R10 168 million, 2015/16: R10 636 million, 2016/17: R11 200 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Monthly installments as per approved payment schedule</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Revise and assess framework for SLAs prior to transfer of funds</li> <li>• Facilitate processes and systems to enable implementation of a national tertiary services plan</li> <li>• Monitor expenditure and patient activity and provide on-site support to hospitals and provinces</li> <li>• Conduct a minimum of 2 site visits to provinces and hospitals/complexes</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Establish a national strategic forum to discuss strategic matters related to the NTSG, including the monitoring of the implementation of a national tertiary services plan</li> <li>• Establish structures and mechanisms to govern tertiary services</li> </ul>

<b>National Tertiary Services Grant</b>	
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submission of draft business plans (provincial and facility) by 30 November 2014</li> <li>• Submission of updated specialist details funded by the NTSG at facility level by 30 September 2014 and 31 March 2015</li> <li>• Submission of updated service specifications funded at each facility by 31 October 2014</li> <li>• Participate in structures and mechanisms to govern tertiary services</li> <li>• Report quarterly on the following approved expenditure areas: <ul style="list-style-type: none"> <li>○ cost of compensation of employees by group of staff category (medical, nursing, allied and other)</li> <li>○ cost of goods and services</li> <li>○ cost of capital</li> <li>○ cost of modernisation of tertiary services (MTS) where applicable</li> <li>○ cost of transfers to households</li> <li>○ provide patient utilization data (inpatient separations, inpatient days, day case separations, outpatient first visits, outpatient follow up visits) as per the prescribed format</li> </ul> </li> </ul>
<b>Process for approval of 2015/16 service level agreements</b>	<ul style="list-style-type: none"> <li>• Completion of SLA, in the prescribed format, signed by each receiving officer by 28 February 2015, and by the transferring national officer by 25 March 2015</li> <li>• Institutional budget letters, in the approved format, must be provided by the province to DoH by 28 February 2015</li> </ul>

## HIGHER EDUCATION AND TRAINING GRANT

<b>Further Education and Training Colleges Grant Framework</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Department of Higher Education and Training (Vote 17)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The successful transfer of Further Education and Training (FET) college functions to the Department of Higher Education and Training (DHET)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To ensure the successful transfer of FET college functions to the DHET</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>FET colleges offer approved programmes in support of skills development according to the national norms and standards for funding FET colleges</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Payment of staff employed by colleges</li> <li>Transfer of FET colleges management staff to DHET finalised</li> <li>Transfer of non-management staff to DHET finalised</li> <li>Transfer of Provincial Education Departments' (PEDs) staff to DHET finalised</li> <li>Post provisioning model for FET colleges finalised</li> <li>Implementation of the national norms and standards for funding FET colleges</li> <li>Implementation of the revised programme cost for 2014</li> <li>Monitor the support of FET colleges by PEDs</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 5: A skilled and capable workforce to support an inclusive growth path</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses a Provincial Implementation Protocol which is signed by the Minister of Higher Education and Training and the Members of Executive Councils (MECs) of the PEDs</li> <li>Provincial Implementation Protocol signed by the Director General and the Heads of Departments (HoDs) of PEDs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The conditional grant will be used as follows: <ul style="list-style-type: none"> <li>PEDs to provide a record of all FET college related employees including principals and deputy principals paid through PERSAL from the conditional grant on behalf of each college and from other voted funds, by name, ID number and PERSAL number by 15 April 2014 to DHET for concurrence</li> <li>thereafter the list must be provided monthly on the 15th to DHET who will verify payments before the end of each month</li> <li>for the remuneration of officials in FET colleges that are paid via PERSAL, any deviation will be subject to approval by the DHET and in compliance with the Treasury Regulations and the Public Finance Management Act (PFMA)</li> <li>operational costs allocated for the FET units may not be transferred from PEDs to the FET colleges. Operational costs should be managed by PEDs and must be subjected to PEDs procurement processes</li> <li>PEDs to submit monthly cash flow statements against the FET unit's operational budget by the 15th of each month</li> <li>uncommitted unspent operational funds at financial year-end should be surrendered to the National Revenue Fund</li> </ul> </li> <li>The resources identified to support the FET college function must be utilised in pursuance of the functions of the FET unit and of the FET Act</li> <li>The verified compensation of employees data (PERSAL) linked to the student enrolment plan of FET colleges will be used as a guideline for allocating the grant to each Provincial Education Department on behalf of the college. Any upward adjustment in PERSAL costs emanating from an increase in enrolments must be funded by the college</li> <li>A portion of the grant per province calculated on the basis of 5.4 per cent of the total PERSAL compensation of employees is to be withheld pending the finalisation of the labour negotiations in the Education Labour Relations Council (ELRC) and General Public Service Sector Bargaining Council (GPSSBC)</li> <li>Unspent funds earmarked for personnel costs at year end must be transferred to FET colleges subject to compliance with the Treasury Regulations and the PFMA</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The verified compensation of employees data was used as the basis for allocating the grant</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>To prepare for the shifting of the FET college function to an exclusive national competence</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated and transferred R4 844 million to provinces, and R4 824 million (99.6 per cent) was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>267 staff trained towards improved management skills</li> <li>100 new classrooms built and 294 upgraded</li> <li>33 new workshops built and 131 upgraded</li> <li>24 administration/student support centres built and 100 upgraded</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The projected life will be determined by the legislative process that needs to take place to give effect to the shifting of the FET college function to the DHET</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R2 631 million, 2015/16: R2 819 million, and 2016/17: R2 974 million</li> </ul>

<b>Further Education and Training Colleges Grant Framework</b>	
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Eleven monthly installments based on the programme allocation to each PED on behalf of the college</li> <li>• DHET withholds 5.4 per cent of the total compensation of employee costs per annum</li> <li>• The remaining balance to be paid as soon as labour agreement for 2014/15 is signed</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Transfer the grant allocation to provincial treasuries as per the approved payment schedule</li> <li>• Convene the National Technical Task Team Meetings to manage and monitor the transition of FET college functions from PEDs to DHET</li> <li>• Manage the FET conditional grant according to the Implementation Protocol</li> <li>• Provide a framework for the development of the College Strategic and Operational Plans</li> <li>• Monitor the grant according to approved college operational plans and budgets</li> <li>• Consolidate and submit quarterly performance reports to National Treasury 45 days after the end of each quarter</li> <li>• To monitor the utilisation of the grant against the set outcomes and to take appropriate action in cases of non-compliance</li> <li>• Ensure regional level institutional support to FET colleges</li> <li>• Evaluate the performance of the conditional grant at the end of the financial year and submit an evaluation report to National Treasury four months after the end of the financial year</li> <li>• Ensure that all annexures to the protocols are verified</li> <li>• Undertake verification of PERSAL records per month before the 10th of the next month</li> <li>• Provide PEDs with the required templates to be completed in order to comply with the conditions of this grant</li> </ul> <p><b>Responsibilities of the provincial education departments</b></p> <ul style="list-style-type: none"> <li>• Effective management of the PERSAL system to ensure that the college staff are paid accurately, timeously and ensure overall stability of the payroll function</li> <li>• Provide accurate and reliable monthly payroll reports to the FET colleges</li> <li>• Support the process of giving effect to the Provincial Implementation Protocol with the DHET</li> <li>• Ensure provincial officials who are currently supporting FET college functions continue such support</li> <li>• Confirm to DHET in writing the total unspent amount at the end of the financial year</li> <li>• Provide the DHET with the consolidated monthly financial report not later than the 15th of each month</li> <li>• Provide the DHET with the consolidated quarterly report 20 days after the end of each quarter</li> <li>• Evaluate the performance of the conditional grant at the end of the financial year and submit an evaluation report to the transferring national officer two months after the end of the financial year</li> <li>• Ensure that all the annexures to the protocols are completed with full disclosure and certified as correct by the Head of Department (HoD)</li> <li>• Provide full disclosure of all functions related to the management of the FET college functions, including those directly related to the FET units in PEDs, such as finance, human resources management, governance, information, planning, monitoring and evaluation</li> <li>• Identify where the skills development levy of the college management staff is allocated</li> <li>• Identify the posts, personnel, capital, goods and services and funding allocated to the staff in the FET college units in the PEDs</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• The implementation protocols between the Minister of Higher Education and Training and MECs, as well as the Director General and HoDs will remain in effect until such time that all functions are transferred to DHET</li> </ul>



## HUMAN SETTLEMENTS GRANT

<b>Human Settlements Development Grant (Schedule 5, Part A)</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 31)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The creation of sustainable human settlements that enable an improved quality of household life, improved access, integration and settlements</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide funding for the creation of sustainable human settlements</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>The facilitation and provision of access to basic infrastructure, top structures and basic social and economic amenities that contribute to the creation of sustainable human settlements</li> <li>Improved rates of employment and skills development in the delivery of infrastructure</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of residential units delivered in each housing programme</li> <li>Number of serviced sites delivered in each housing programme</li> <li>Number of finance linked subsidies approved and disbursed</li> <li>Number of households in informal settlements provided with household access to services/upgraded services</li> <li>Number of properties transferred and/or title deeds issued</li> <li>Hectares of well located land acquired and/or released for residential development</li> <li>Number of work opportunities created through related programmes</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 8: Sustainable human settlements and improved quality of household life</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Outputs</li> <li>Cash flow (payment schedule)</li> <li>Quarterly reporting</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Funds for this grant will only be released upon sign-off by the national Department of Human Settlements (DHS) provincial business plans consistent with the Housing Act, Spatial Planning and Land Use Management Act, local and provincial human settlements development plans, national human settlements development priorities and the national housing code</li> <li>The flow of the first installment is subject to the submission of approved business plans and fourth quarter reports for 2013/14</li> <li>Heads of Provincial Departments (HoDs) must confirm that projects captured in respective business plans are ready for implementation in the 2014/15 financial year</li> <li>Provinces may, if a proven need exists, utilise up to 5 per cent of the provincial allocation for the operational capital budget programme to support the implementation of the projects as contained in the business plan</li> <li>Provinces must make budget allocations consistent with provincial and related municipal backlogs</li> <li>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 section 10 (10) of the Division of Revenue Act (DoRA)</li> <li>Where targets are revised and/or are budgets shifted, a revised business plan must be submitted to the DHS, by the relevant provincial department, within 30 days of the tabling of the Provincial Adjustment Budget</li> <li>In the event that the following metropolitan municipalities are assigned level 3 accreditation during 2014/15, the DHS will be required to allocate funds to these municipalities based on the new allocation formula as approved by Human Settlement MINMEC and National Treasury for the Human Settlements Development Grant (HSDG). The national department will make provision to be able to transfer the following indicative amounts directly to the stated municipalities once the municipalities are assigned with the housing function in terms of level 3 accreditation: <ul style="list-style-type: none"> <li>Nelson Mandela Bay 2014/15: R348 million</li> <li>Ekurhuleni 2014/15: R1 265.4 million</li> <li>Johannesburg 2014/15: R1 504.1 million</li> <li>Tshwane 2014/15: R970.3 million</li> <li>eThekweni 2014/15: R1 150.5 million</li> <li>Cape Town 2014/15: R1 350.5 million</li> </ul> </li> <li>Funds have been added to this grant for the repair of infrastructure damaged by floods. Should the cost of repairing the affected infrastructure exceed the amounts earmarked below, provinces may not fund any such shortfalls out of the remaining allocation of this conditional grant. The following amounts per province must be used for the repair of infrastructure damaged by natural disasters declared in the Government Gazette and as assessed by the National Disaster Management Centre: <ul style="list-style-type: none"> <li>KwaZulu-Natal: R167.3 million</li> <li>Limpopo: R5.7 million</li> <li>Mpumalanga: R7.3 million</li> <li>Western Cape: R4.9 million</li> </ul> </li> <li>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</li> <li>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</li> <li>Monthly and quarterly performance reports on disaster allocations must be submitted to the NDMC</li> <li>The following funds must be added to informal settlement upgrading projects in the area of each respective</li> </ul>

<b>Human Settlements Development Grant (Schedule 5, Part A)</b>	
	<p>mining town. These are additional funds and may not be used to replace existing baseline funds allocated to projects in these areas:</p> <p><b>Free State:</b></p> <ul style="list-style-type: none"> <li>○ Matjhabeng: R26.8 million</li> <li>○ Moqhaka: R5.2 million</li> </ul> <p><b>Gauteng:</b></p> <ul style="list-style-type: none"> <li>○ Merafong City: R7 million</li> <li>○ Randfontein: R8.7 million</li> <li>○ Westonaria: R17.1 million</li> </ul> <p><b>Limpopo:</b></p> <ul style="list-style-type: none"> <li>○ Thabazimbi: R7.2 million</li> <li>○ Greater Tubatse: R1.7 million</li> <li>○ Elias Motsoaledi: R3.3 million</li> <li>○ Lephalale: R4.7 million</li> <li>○ Fetakgomo: R0.7 million</li> </ul> <p><b>Mpumalanga</b></p> <ul style="list-style-type: none"> <li>○ Emalahleni: R25.5 million</li> <li>○ Steve Tshwete: R10.1 million</li> <li>○ Thaba Chweu: R7.5 million</li> </ul> <p><b>Northern Cape:</b></p> <ul style="list-style-type: none"> <li>○ Tsantsabane: R2.8 million</li> <li>○ Ga-Segonyana: R3.3 million</li> <li>○ Gamagara: R3.3 million</li> </ul> <p><b>North West:</b></p> <ul style="list-style-type: none"> <li>○ Kgetlengrivier: R4.1 million</li> <li>○ Madibeng: R69.8 million</li> <li>○ Moses Kotane: R16 million</li> <li>○ Rustenburg: R65.3 million</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• The provincial allocations to municipalities accredited to level 1 and 2 will be made on a basis that is consistent with the accreditation framework</li> <li>• An interim allocation basis will consider the current approved projects budgets running in the municipalities accredited to levels 1 and 2</li> <li>• Funds for informal settlement upgrading in mining towns are allocated based on the extent of informal settlements in each area</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• Allocated R15 700 million and transferred R15 400 million to provinces, of which R15 300 million (97.1 per cent) was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 115 079 housing units completed</li> <li>• 45 698 serviced sites completed</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This is a long term grant as government has an obligation to assist the poor with the provision of human settlements</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R17 084 million, 2015/16: R18 533 million, and 2016/17: R20 410 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Monthly instalments as per the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Finalise and ensure the approval of the subsidy quantum and the allocation formula for the disbursement of the grant to provinces and accredited metropolitan municipalities</li> <li>• Approve the national and provincial business plans and compliance certificates</li> <li>• Monitor the credibility of provincial business plans and the readiness of projects captured therein</li> <li>• Monitor provincial, financial and non-financial grant performance and control systems related to the HSDG</li> <li>• Provide support to provinces and accredited municipalities with regards to human settlements delivery as may be required</li> <li>• Undertake structured and other visits to provinces and metropolitan municipalities as is necessary</li> <li>• Facilitate regular interaction between national and provincial departments of human settlements and accredited municipalities</li> <li>• Submit an annual evaluation report for 2013/14 on the performance of the grant to National Treasury by 31 July 2014</li> <li>• Evaluate the audited provincial annual reports for submission to National Treasury by 12 December 2014</li> </ul>

<b>Human Settlements Development Grant (Schedule 5, Part A)</b>	
	<ul style="list-style-type: none"> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Provide systems (Housing Subsidy System) that support the administration of the human settlements delivery process</li> <li>• Comply with the responsibilities of the national transferring officer outlined in the 2014 DoRA</li> </ul>
	<p><b>Responsibilities of the provincial departments and accredited municipalities</b></p> <ul style="list-style-type: none"> <li>• Submit number of residential units and number of serviced sites delivered in each housing programme per month</li> <li>• Submit 2013/14 annual evaluation reports to the national department by 30 May 2014</li> <li>• Submit 2013/14 audited annual reports to the national department by 30 September 2014</li> <li>• Prioritise funds in order to build houses to meet the quota set for the military veterans</li> <li>• Support accredited municipalities in carrying out delegated functions as per the accreditation framework</li> <li>• Provinces must utilise the Housing Subsidy System (HSS) for the administration and related performance reporting of all the human settlement delivery programme and processes</li> <li>• Ensure effective and efficient utilisation of the HSS by municipalities</li> <li>• Comply with the terms and conditions of the national performance agreements and provincial and local delivery agreements</li> <li>• The monthly expenditure report, as contemplated in section 12(3) of the 2014 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</li> <li>• The monthly DoRA expenditure and quarterly reports must be signed by both the Head of Department and the relevant provincial treasury</li> <li>• Submit number of residential units delivered in each housing programme by the 15th of every month for the preceding month</li> <li>• Submit number of serviced sites delivered in each housing programme by the 15th of every month for the preceding month</li> <li>• Submit a report on the number of jobs created and number of houses allocated to the national department by the 15th of every month for the preceding month</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• First draft provincial business plans for 2015/16 financial year to be submitted to the national department by 28 November 2014</li> <li>• Submit final provincial business plans, project lists including cash flow projections and compliance certificates for 2015/16 financial year to the national department by 07 February 2015</li> <li>• Submit approved 2015/16 provincial and national plan to National Treasury by 31 March 2015</li> </ul>

<b>Human Settlements Development Grant (Schedule 6, Part A)</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Human Settlements (Vote 31)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The eradication of bucket sanitation in order to create sustainable human settlements</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide funding for the creation of sustainable human settlements</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• The eradication of bucket sanitation through the provision of access to basic infrastructure for sanitation</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of households previously using bucket toilets provided with improved sanitation</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 8: Sustainable human settlements and improved quality of household life</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Outputs</li> <li>• Cash flow (payment schedule)</li> <li>• Monthly reporting</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Spending in terms of this grant must comply with any conditions set in terms of Section 4 of the 2014 Appropriations Act</li> <li>• Projects undertaken through the Schedule 6, Part A Human Settlements Development Grant may only fund sanitation projects that contribute to the eradication of bucket sanitation</li> <li>• 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</li> <li>• All proposed projects must be approved by a joint committee comprising the departments of Human Settlements, Water Affairs and Cooperative Governance. This committee must ensure there is no duplication with existing projects</li> <li>• This grant must prioritise areas where bucket sanitation is still being used</li> <li>• The Department of Human Settlements (DHS) must enter into a Service Level Agreement (SLA) with the relevant province and Water Services Authority before any project is implemented. All SLAs must be concluded by 31 March 2014</li> <li>• SLAs must specify: <ul style="list-style-type: none"> <li>○ the consultation process undertaken with affected communities</li> <li>○ the alignment between the project plan and the Water Services Development Plan 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</li> <li>○ the infrastructure that will be built</li> <li>○ how maintenance of the infrastructure will be conducted and funded in future</li> <li>○ agreement by the province and Water Services Authority that the project should be implemented as an allocation-in-kind</li> </ul> </li> <li>• The DHS must provide for skills transfer as part of the implementation of projects</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Funds have been divided among the provinces based on the number of households using bucket sanitation</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• It is a national priority to eradicate bucket sanitation and this grant will accelerate progress towards this goal</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• New grant</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant is allocated for two years and will end in 2015/16</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R899 million, and 2015/16: R975 million</li> </ul>

<b>Human Settlements Development Grant (Schedule 6, Part A)</b>	
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments are made after verification of work performed</li> </ul>
<b>Responsibilities of national transferring officer and receiving officer</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>• Facilitate the planning for bucket eradication within national government and coordinate with other spheres</li> <li>• Negotiate with provinces and sign Service Level Agreements (SLAs) for the implementation of projects</li> <li>• The DHS must submit its proposed plans to the National Treasury by 14 March 2014, after the plans have been approved by the joint committee with the departments of Water Affairs and Cooperative Governance. These plans must set out the following details:               <ul style="list-style-type: none"> <li>○ project location and number of units to be delivered</li> <li>○ estimated cost per unit;</li> <li>○ start and implementation time for the project;</li> <li>○ any other details as the National Treasury might ask for, from time to time</li> </ul> </li> <li>• All service level agreements signed with provinces must be submitted to National Treasury</li> <li>• The department must submit quarterly progress reports to the Office of the Chief Procurement Officer on the implementation of the plans for monitoring purposes</li> <li>• Submit reports in the format and on the dates prescribed by National Treasury</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Ensure projects implemented through the Schedule 6, Part A Human Settlements Development Grant do not duplicate existing projects</li> <li>• Facilitate cooperation with municipalities to ensure the sustainability of bucket eradication projects</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Business plans for 2015/16 will be based on progress in eradicating backlogs in 2014/15. Draft plans for 2015/16 and allocations per province must be submitted to National Treasury by 5 December 2014</li> </ul>

## PUBLIC WORKS GRANTS

<b>Expanded Public Works Programme Integrated Grant for Provinces</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Public Works (Vote 7)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To provide Expanded Public Works Programme (EPWP) funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines:               <ul style="list-style-type: none"> <li>○ road maintenance and the maintenance of buildings</li> <li>○ low traffic volume roads and rural roads</li> <li>○ other economic and social infrastructure</li> <li>○ tourism and cultural industries</li> <li>○ sustainable land based livelihoods</li> <li>○ waste management</li> </ul> </li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities</li> <li>• Reduced levels of poverty</li> <li>• Contribute towards increased levels of employment</li> <li>• Improved opportunities for sustainable work through experience and learning gained</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Increased number of people employed and receiving income through the EPWP</li> <li>• Increased average duration of the work opportunities created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 4: Decent employment through inclusive economic growth</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The 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</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 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 2014</li> <li>• EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by DPW and the Ministerial Determination</li> <li>• Eligible provincial departments must sign a funding agreement with their final EPWP project list attached, before the first grant disbursement</li> <li>• Provincial departments must report quarterly on all EPWP projects via DPW's EPWP reporting system</li> <li>• Reports must be loaded on the EPWP reporting system within 15 days after the end of every quarter in order for progress to be assessed</li> <li>• Provincial departments must maintain beneficiary and payroll records as specified in the audit requirements in the EPWP grant manual</li> <li>• The grant cannot be used for departmental personnel costs, however a maximum of 5 per cent of the grant can be used to fund contract based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods</li> <li>• The grant can only be utilised for EPWP purposes, for the projects approved in the incentive agreement signed by each eligible provincial department</li> <li>• To receive the first planned grant disbursement, eligible provincial departments must:               <ul style="list-style-type: none"> <li>○ submit a final EPWP project list by 30 April 2014</li> <li>○ sign a grant agreement with DPW</li> </ul> </li> <li>• Subsequent grant disbursements are conditional upon eligible provincial departments:               <ul style="list-style-type: none"> <li>○ reporting on EPWP performance quarterly within the required timeframes</li> <li>○ implementing their approved EPWP project list as planned towards the agreed job creation targets</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• To be eligible for an EPWP grant allocation in 2014/15, a provincial department must have reported EPWP performance (in either the infrastructure or environment and culture sector) by 15 October 2013</li> <li>• The EPWP grant allocations are based on EPWP performance in the past 18 months, number of FTEs per R million created and the duration of the work opportunities created</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance</li> <li>• The grant is based on performance, the potential to expand and the need for EPWP work in key geographic regions</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R292.8 million was disbursed to eligible provincial departments with reported expenditure of 90 per cent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 217 674 work opportunities were reported by provincial departments in the infrastructure and, environment and culture sectors</li> <li>• 62 777 FTEs were reported by provincial departments in the infrastructure and environment and culture sectors</li> </ul>

<b>Expanded Public Works Programme Integrated Grant for Provinces</b>	
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Grant continues until the end of 2018/19 financial year, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R349 million, 2015/16: R357 million, and 2016/17: R412 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Three instalments per annum (15 May 2014, 15 August 2014 and 17 November 2014) <ul style="list-style-type: none"> <li>40 per cent of the allocation will be disbursed on 15 May 2014</li> <li>a further two payments of 30 per cent each are planned for 15 August 2014 and 17 November 2014</li> </ul> </li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Determine eligibility and set grant allocations and FTE targets for eligible provincial departments</li> <li>Publish on the EPWP website all documents relevant for provincial departments to understand and implement the grant, including a grant manual, the relevant EPWP guidelines and the Ministerial Determination</li> <li>Support provincial departments, in the manner agreed to in the funding agreement, to identify suitable EPWP projects, develop EPWP project lists in accordance with the EPWP project selection criteria, apply the EPWP project selection criteria and EPWP guidelines to project design, report using the EPWP reporting system</li> <li>Monitor the performance and spending of provincial departments and assess progress towards implementing their EPWP project lists</li> <li>Disburse the grant to eligible provinces</li> <li>Report to National Treasury on a quarterly basis, progress against FTE targets and spending against the grant allocation</li> <li>Conduct data quality assessments on a continuous basis to support good governance and identify areas for administrative improvement</li> <li>Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions</li> <li>Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP Web Based System</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>Develop and submit an EPWP project list to the DPW by 30 April 2014</li> <li>Sign the standard funding agreement with DPW agreeing to comply with the conditions of the grant before receiving any grant disbursement by 30 April 2014</li> <li>Agree on the areas requiring technical support from DPW upon signing the grant agreement</li> <li>Report on all EPWP projects into the EPWP reporting system and update progress quarterly in accordance with the reporting requirements and timelines stipulated in the grant agreement</li> <li>Provincial departments must maintain beneficiary and 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</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>Provincial departments must report on performance of EPWP projects for the 2013/14 financial year by 15 April 2014 or report on 2014/15 performance by 22 October 2014 to be eligible for a grant allocation</li> <li>Provincial departments must submit draft 2015/16 EPWP project lists to DPW by the end of April 2015</li> <li>Eligible provincial departments must sign the standard funding agreement with an approved 2015 EPWP project list by the end of April 2015</li> </ul>

<b>Social Sector Expanded Public Works Programme Incentive Grant for Provinces</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Public Works (Vote 7)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To increase job creation through the expansion of Social Sector Expanded Public Works Programme (EPWP)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To incentivise provincial social sector departments identified in the 2013 Social Sector EPWP log-frame to increase job creation by focusing on the strengthening and expansion of social sector programmes that have employment potential</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved service delivery to communities by expanding the reach and quality of social services</li> <li>Improved quality of life of unemployed people through employment creation and increased income</li> <li>Contribute towards decreased levels of unemployment</li> <li>Improved opportunities for sustainable work through experience and learning gained</li> <li>Strengthened capacity of non-government delivery partners through increased access to funds for training, wages and administration</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>11 139 Full Time Equivalents (FTEs) funded through this grant</li> <li>A minimum of 9 700 people employed and receiving income through the EPWP</li> <li>A minimum average duration of the 200 person days for work opportunities created</li> <li>A minimum of 30 000 households to which services are provided</li> <li>A minimum of 60 000 beneficiaries to whom services are provided</li> <li>A minimum daily wage of R70.59 per EPWP beneficiary</li> <li>A minimum of 500 beneficiaries who received training</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 4: Decent employment through inclusive economic growth</li> <li>Outcome 5: A skilled and capable workforce to support an inclusive growth path</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Provincial departments must submit to the national Department of Public Works (DPW) signed-off business plans on how to achieve the incentive grant targets by 31 March 2014</li> <li>Provincial departments must sign an incentive agreement with DPW by 15 April 2014 to comply with the conditions and obligations of the grant</li> <li>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</li> <li>Reports on financial and non-financial performance must be loaded on the EPWP Integrated Reporting System within 15 days after the end of each quarter</li> <li>Provincial departments must adhere to the audit requirements stipulated in the social sector EPWP Incentive grant manual</li> <li>The incentive grant allocation must be used to expand job creation programmes in the Social Sector</li> <li>The incentive grant allocation must be used to fund the following priority areas: <ul style="list-style-type: none"> <li>to provide stipends to unpaid volunteers at a minimum R70.59 per day and further adjustments as per the Ministerial Determination for EPWP workers and the prescripts of the Department of Labour</li> <li>to expand Social Sector EPWP programmes as identified in the EPWP Social Sector log-frame</li> <li>to create additional work opportunities</li> </ul> </li> <li>A minimum of 80 per cent of the total incentive allocation must be used to pay stipends or wages</li> <li>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</li> <li>The balance of the overall incentive allocation must be used for capacity-building at the implementation level or the standardisation of wages</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>To be eligible for an incentive allocation in 2014/15, a provincial department must have reported 2012/13 and/or 2013/14 EPWP performance by 22 October 2013</li> <li>Each department that reported in the above period receive a nominal allocation of R2 580 000</li> <li>For departments that reported in 2012/13, 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"> <li>number of FTEs per R million per departmental programme as compared to the median value for similar programmes (cost-effectiveness)</li> <li>beneficiary profile consisting of 2 per cent persons with disabilities</li> <li>beneficiary profile consisting of 40 per cent youth</li> <li>beneficiary profile consisting of 55 per cent female beneficiaries</li> <li>10 per cent of days worked spent in training</li> <li>average duration of 100-day work opportunities</li> <li>average minimum daily wage of R66.34 per person a day of work</li> </ul> </li> <li>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</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The incentive allocation is based on the performance of programmes in a prior financial year and use of the allocation is specifically earmarked for EPWP programme expansion</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R202 million (92.9 per cent) spent of an allocation of R217 million</li> </ul>



<b>Social Sector Expanded Public Works Programme Incentive Grant for Provinces</b>	
	<p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 11 902 FTEs created</li> <li>• 93 032 Households serviced</li> <li>• 317 379 beneficiaries serviced</li> <li>• 2 890 Not for Profit Organisations (NPOs) administratively supported</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R258 million, 2015/16: R268 million, and 2016/17: R375 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Three installments (9 May 2014, 31 July 2014 and 31 October 2014)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Determine the eligibility of provincial departments, set job creation targets and performance measures and calculate incentive allocations</li> <li>• Revise an Incentive Manual that will provide provincial departments with standard information on the rules of the incentive programme, its application, monitoring and evaluation information and audit regulations</li> <li>• Develop an incentive agreement outlining the requirements of the incentive grant and ensure that each provincial department signs the agreement by 30 April 2014</li> <li>• Reach agreement with national sector departments on their roles in ensuring effective implementation of the incentive grant by 30 April 2014</li> <li>• Support provincial departments to develop plans to meet job creation targets</li> <li>• Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP Integrated Reporting System</li> <li>• Monitor the performance of provincial departments and the use of the incentive grant against the conditions in the framework and report to National Treasury on monthly and quarterly progress</li> <li>• Audit the final performance of provincial departments after the end of the financial year</li> <li>• Report quarterly to provincial departments on projected eligibility for the incentive grant in the following year</li> <li>• Issue guidelines to provincial departments on how to report expenditure by 15 March 2014</li> <li>• Verify anomalies in the reported data</li> </ul>
	<p><b>Responsibilities of the provincial department</b></p> <ul style="list-style-type: none"> <li>• Compile and sign Business Plans on how to achieve the incentive grant targets by 31 March 2014</li> <li>• By 30 April 2014 sign the standard incentive agreement with DPW agreeing to comply with the conditions and obligations of the grant before receiving any incentive payment</li> <li>• Report EPWP performance onto the EPWP Integrated Reporting System and update progress monthly and quarterly in accordance with the reporting requirements in the incentive agreement</li> <li>• Provide financial and non-financial data on the use of the incentive grant on a quarterly basis in the format and manner prescribed by National Treasury and DPW</li> <li>• Maintain beneficiary and payroll records as specified in the audit requirements of the EPWP Grant manual</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provincial departments must have reported EPWP performance by 15 October 2014 to be eligible for an allocation</li> <li>• Provincial departments participate in the planning exercise from December to January each year and submit their business plans and targets to DPW during this process in the format prescribed</li> <li>• DPW to distribute the incentive agreements in May every year</li> <li>• Provincial departments sign the incentive agreement with DPW by 30 April 2015 and agree to comply with the conditions and obligations of the incentive grant</li> </ul>

### SOCIAL DEVELOPMENT GRANT

<b>Substance Abuse Treatment Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Social Development (Vote 19)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To strengthen the harm reduction programme by providing treatment for substance abuse</li> <li>• To improve access to public substance dependency treatment facilities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide funding for the construction of substance dependency treatment facilities in the provinces of Northern Cape, North West, Eastern Cape and Free State</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Reduction in recurrence of substance abuse</li> <li>• Affordable public treatment programmes</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Four Substance Dependency treatment facilities</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 2: A long and healthy life for all South Africans</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The national Department of Social Development (DSD) will sign project charters with each of the provinces. The charters will contain the following: <ul style="list-style-type: none"> <li>○ project background</li> <li>○ project objectives</li> <li>○ scope of the work</li> <li>○ deliverables</li> <li>○ project dependencies</li> <li>○ constraints and assumptions</li> <li>○ stakeholders list</li> <li>○ controls strategy</li> <li>○ risk assessment with mitigation plan</li> <li>○ exclusions</li> <li>○ measurement and acceptance criteria</li> <li>○ project governance Structure</li> <li>○ cost breakdown</li> <li>○ project plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The approved feasibility report and project charter must be signed off by Head of Department (HoD) of the provincial Departments of Social Development</li> <li>• Progress reports against approved project plans (2 per quarter) with an expenditure report must be submitted to the DSD</li> <li>• The DSD must approve the procurement strategy for appointment of service providers</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Provinces were allocated funds according to the cost calculations for a standard design guideline of a substance dependency treatment centre</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• New grant</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• 2014/15 to 2016/17</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R29 million, 2015/16: R48 million, and 2016/17: R48 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Planning</li> <li>• Monitoring of project progress and compliance to conditional grant framework</li> <li>• Provide the guidelines and criteria for the development and approval of project charters</li> <li>• To assess and approve the project charters submitted by provinces</li> <li>• Monitor implementation through project site visits and provide support on a monthly and quarterly basis</li> <li>• To monitor the utilisation of the grant against the set outcomes and to take appropriate action in cases of non-compliance</li> <li>• Submit an annual evaluation report after the end of the 2014/15 financial year</li> </ul>

<b>Substance Abuse Treatment Grant</b>	
	<p><b>Responsibilities of the provincial department</b></p> <ul style="list-style-type: none"> <li>• Appointment and management of implementing agent</li> <li>• Construction of the substance dependency treatment facilities</li> <li>• Develop project charter and submit a charter signed off by the Head of Department to the DSD</li> <li>• Provinces to implement the project charter as approved by DSD (DSD must be notified in writing about deviations before implementation can take place)</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces submit first draft project charter and assessment of project charter to the national department by 14 November 2014</li> <li>• Submit final provincial project charter, including cash flow projections and compliance certificates signed off by HoDs for 2015/16 to the DSD by 16 February 2015</li> <li>• Director General approves provincial project charter by 19 March 2015</li> <li>• Submit approved 2015/16 provincial project charter to National Treasury by 20 March 2015</li> </ul>

## SPORT AND RECREATION SOUTH AFRICA GRANT

<b>Mass Participation and Sport Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Sport and Recreation South Africa (Vote 20)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Increasing citizens' access to sport and recreation activities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased and sustained participation in sport and recreation</li> <li>• Improved sector capacity to deliver sport and recreation</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• School sport supported through: <ul style="list-style-type: none"> <li>○ learners supported to participate in national school sport competitions</li> <li>○ learners supported to participate in district school sport competitions</li> <li>○ learners supported to participate in provincial school sport competitions</li> <li>○ educators trained</li> <li>○ schools provided with equipment and/or attire</li> <li>○ sport focus schools supported</li> <li>○ school sport coordinators remunerated</li> <li>○ provincial school sport structures supported</li> <li>○ district school sport structures supported</li> </ul> </li> <li>• Community sport and recreation participation supported through: <ul style="list-style-type: none"> <li>○ youth attending the annual youth camp</li> <li>○ active recreation programmes</li> <li>○ people participating in active recreation events</li> <li>○ tournaments and leagues for hubs and clubs</li> <li>○ affiliated, and functional clubs</li> <li>○ provincial programmes</li> <li>○ athletes supported through an athlete support programme</li> <li>○ people trained to deliver sports academy programme</li> <li>○ sport and recreation projects implemented by the Sport Council</li> <li>○ people trained as part of community sport programmes</li> <li>○ people trained as part of the club development programme</li> <li>○ hubs provided with equipment and/or attire</li> <li>○ clubs provided with equipment and/or attire</li> <li>○ staff appointed on a long term or permanent basis</li> <li>○ academies supported</li> </ul> </li> </ul>
<b>Priority outcome of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<p><b>Provincial compliance</b></p> <ul style="list-style-type: none"> <li>• Provincial departments responsible for sport and recreation are required to: <ul style="list-style-type: none"> <li>○ ensure that the 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 plan for 2014/15</li> <li>○ submit a signed business plan to SRSA by 17 March 2014</li> <li>○ enter into a formal agreement with SRSA after the approval of their business plans prior to the start of the financial year by 31 March 2014</li> <li>○ not use this grant on projects falling outside the scope of the grant unless prior written request and approval to such effect is granted by SRSA</li> <li>○ only procure equipment and attire from the transversal contracts as determined by SRSA in conjunction with provinces</li> <li>○ procure, store, and maintain branding material for display by provinces at SRSA funded events in the respective provinces, as per SRSA specifications</li> <li>○ submit monthly financial reports and monthly breakdown reports per sub-programme to SRSA 15 days after the end of each month, using the standard format as determined by SRSA. An electronic version and faxed hard copy signed by the Chief Financial Officer and Head of Department of the respective province must be submitted</li> <li>○ appoint staff on a long-term or permanent basis (at a cost not exceeding 6 per cent of the total grant allocated to the respective province) for the coordination of school sport, club, hub, academy and Sport Council programmes</li> <li>○ provinces will endeavour to create community structures within the same local municipalities to contribute to seamless service delivery in SRSA priority codes</li> <li>○ ensure that all structures are aligned to the SRSA priority codes</li> <li>○ ensure that 50 per cent of the clubs and hubs established must be from rural and farm areas</li> </ul> </li> </ul>

<b>Mass Participation and Sport Development Grant</b>	
	<ul style="list-style-type: none"> <li>o adhere to all financial prescripts as contained in the Public Finance Management Act</li> </ul> <p><b>Financial allocation</b></p> <ul style="list-style-type: none"> <li>• The conditional grant must be utilised according to the following allocation: <ul style="list-style-type: none"> <li>o employment of permanent staff: 6 per cent</li> <li>o branding: 0.5 per cent</li> <li>o district and provincial academies: 4.5 per cent</li> <li>o provincial Sport Councils: 4 per cent</li> <li>o school sport: 40 per cent</li> <li>o hubs: 20 per cent</li> <li>o club development: 20 per cent</li> <li>o provincial programmes: 5 per cent</li> </ul> </li> <li>• Provinces, based on their provincial dynamics, may apply to the Director General to change the above sub-allocations</li> </ul> <p><b>School Sport</b></p> <ul style="list-style-type: none"> <li>• Provinces must ring-fence R8 million to provide transport, accommodation, meals, attire and support for the delivery of provincial teams to national school sport tournaments hosted by SRSA</li> <li>• The remaining school sport allocation must be allocated in the following proportions: <ul style="list-style-type: none"> <li>o 20 per cent to support the training of educators and school volunteers</li> <li>o 10 per cent to purchase equipment for disadvantaged schools identified through participation in leagues</li> <li>o 5 per cent to purchase attire for disadvantaged schools identified through participation in leagues</li> <li>o 20 per cent to deliver district and provincial competitions</li> <li>o 10 per cent to support the implementation of sport focus schools</li> <li>o 15 per cent to remunerate circuit coordinators who coordinate and support the delivery of school sport programmes and monitor and evaluate at a local level</li> <li>o 15 per cent to support school sport structures</li> <li>o 5 per cent for administration costs</li> </ul> </li> <li>• Provinces, based on their provincial dynamics, may apply to the Director General to change the above sub-allocations</li> </ul> <p><b>Community sport and recreation</b></p> <ul style="list-style-type: none"> <li>• Hubs: <ul style="list-style-type: none"> <li>o provinces must ring-fence R3 million per province for youth camps</li> <li>o the remaining hubs allocation must be allocated in the following proportions: <ul style="list-style-type: none"> <li>- 35 per cent for sport and recreation promotion programmes</li> <li>- 10 per cent to purchase equipment</li> <li>- 20 per cent to purchase attire</li> <li>- 5 per cent for Minister's outreach programmes</li> <li>- 20 per cent for training</li> <li>- 10 per cent for administration costs</li> </ul> </li> <li>o provinces based on their provincial dynamics may apply to the Director General to change the above sub-allocations</li> </ul> </li> <li>• Club development: <ul style="list-style-type: none"> <li>o the portion of the grant ring-fenced for club development must be used in the following proportions: <ul style="list-style-type: none"> <li>- 25 per cent for training in the following: sport administration, coaching, technical officiating and team management</li> <li>- 45 per cent for tournaments and league fixtures</li> <li>- 15 per cent to purchase equipment</li> <li>- 5 per cent to purchase attire</li> <li>- 10 per cent for administration costs</li> </ul> </li> </ul> </li> <li>• Provinces, based on their provincial dynamics, may apply to the Director General to change the above sub-allocations</li> <li>• District and provincial academies: <ul style="list-style-type: none"> <li>o 4.5 per cent of the total conditional grant (allocated to the respective province) must be used for the establishment and development of academies in line with SRSA guidelines</li> </ul> </li> <li>• Transfers to Sport Councils and academies: <ul style="list-style-type: none"> <li>o provinces may transfer funds allocated to provincial Sport Councils and academies with the following conditions: <ul style="list-style-type: none"> <li>- the transfer was planned for and it is part of the provincial business plan approved by the national department</li> <li>- the transfer of funds must be used in line with the main purpose of the grant</li> <li>- there must be a service level agreement or memorandum of agreement between the provincial department and the provincial Sport Council and/or academies</li> <li>- provinces must furnish their provincial Sport Council and academies with the reporting template from SRSA to monitor their expenditure and performance</li> </ul> </li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Funds are distributed among provinces on the basis of a baseline allocation of R20 million, a needs analysis, and the provincial equitable share formula</li> </ul>

<b>Mass Participation and Sport Development Grant</b>	
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• A conditional grant is necessary to ensure national coordination, monitoring and facilitation</li> </ul>
<b>Past performance</b>	<b>2012/13 audited financial outcomes</b> <ul style="list-style-type: none"> <li>• Allocated and transferred R469.6 million to provinces</li> <li>• Of the total available of R473 million (including provincial roll-overs), R444.8 million (94 per cent) was spent</li> </ul>
	<b>2012/13 service delivery performance</b> <ul style="list-style-type: none"> <li>• Number of people trained in sport and development: 7 405 educators</li> <li>• Number of mass mobilisation campaigns held: 33 events</li> <li>• Number of people participating in the programme: 2 900 758</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing subject to review as agreed with National Treasury</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R526 million, 2015/16: R550 million, and 2016/17: R579 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four installments (30 April 2014, 29 August 2014, 28 November 2014, and 16 February 2015)</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>• Submit the 2013/14 annual evaluation report to National Treasury four months after the end of the financial year</li> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2015/16 by 12 September 2014</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation and provide support</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Ensure that all the conditional grant practice notes issued by National Treasury are adhered to</li> </ul>
	<b>Responsibilities of the provincial departments</b> <ul style="list-style-type: none"> <li>• Submit the 2013/14 annual evaluation report to SRSA two months after the end of the financial year</li> <li>• Submit monthly reports as per the requirements contained in the Division of Revenue Act</li> <li>• Submit quarterly performance reports (as per operational plans) to SRSA within 30 days after the end of each quarter</li> <li>• Monitor progress on grant implementation</li> <li>• Ensure that provincial grant managers attend all the national conditional grant meetings</li> <li>• Ensure that capacity exists to manage the grant and that there is a grant manager responsible for the grant</li> <li>• Ensure organisational capacity to deliver on the programme</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces to provide draft business plans to SRSA by 7 November 2014</li> <li>• SRSA evaluates draft business plans by 5 December 2014</li> <li>• Comments sent to provinces by 12 December 2014</li> <li>• Provinces to submit revised business plans to SRSA by 13 February 2015</li> <li>• SRSA to approve revised business plans by 27 February 2015</li> <li>• Provincial Heads of Departments (HoDs) to submit signed business plans to SRSA by 13 March 2015</li> <li>• SRSA to sign project implementation agreements and business plans with provincial HoDs by 3 April 2015</li> <li>• SRSA to submit approved business plans to National Treasury by 10 April 2015</li> </ul>

## TRANSPORT GRANTS

<b>Provincial Roads Maintenance Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To ensure efficient investment in provincial roads to implement the Road Infrastructure Strategic Framework For South Africa (RISFSA) in line with the S'hamba Sonke Road Programme and other related road infrastructure asset management programmes</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To supplement provincial investments for preventative, routine and emergency maintenance and road rehabilitation of provincial road networks, ensure all roads are classified as per RISFSA and the Road Classification and Access Management (RCAM) guidelines</li> <li>• Implement and maintain road asset management systems</li> <li>• To supplement provincial projects for the repair of roads and bridges damaged by declared natural disasters</li> <li>• To improve the state of the road network serving electricity generation infrastructure</li> <li>• To construct rural pedestrian access bridges</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improve the condition and lifespan of the assets (provincial roads), thereby improving the level of service</li> <li>• Improved rates of employment, community participation and skills development through the delivery of roads infrastructure projects (Expanded Public Works Programme objective)</li> <li>• Create work opportunities for unemployed people through labour-intensive construction methodologies for the delivery of road infrastructure projects</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Road classification processes 100 per cent completed by the end of 30 September 2014</li> <li>• Number of lane-kilometres of surfaced roads rehabilitated against a target of 1 100 lane-kilometres</li> <li>• Number of lane-kilometres of surfaced roads resealed against a target of 3 000 lane-kilometres</li> <li>• Number of kilometres of gravel roads re-gravelled against a target of 3 000 km</li> <li>• Number of m<sup>2</sup> of blacktop patching (including pothole repairs) against a target of 810 000m<sup>2</sup></li> <li>• Number of kilometres of gravel roads bladed against a target of 350 000 km</li> <li>• Submission of updated road condition data/report by 29 August 2014</li> <li>• Number of work opportunities created against a target of 212 662</li> <li>• Number of Full Time Equivalents (FTEs) jobs created against a target of 60 100</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses a Road Asset Management Plan, which contains the following details: <ul style="list-style-type: none"> <li>○ level of service</li> <li>○ network condition and traffic volumes</li> <li>○ project lists for 2014/15 to 2016/17 with a summary of targets as per Key Performance Indicator (KPI) for preventative, routine and emergency maintenance and road rehabilitation works</li> <li>○ financial summary</li> <li>○ organisational and support plan</li> <li>○ job creation estimates</li> <li>○ emerging contractor opportunities</li> <li>○ linkages to socio economic activities and opportunities</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Provinces may use a maximum of R10 million from the Provincial Roads Maintenance Grant (PRMG), subject to approval from the national Department of Transport (DoT), for: <ul style="list-style-type: none"> <li>○ the completion of road classification and updating of the Geographic Information System spatial maps and records for all roads in South Africa by the end of 2014/15</li> <li>○ Visual Condition Index assessments and ensuring that Provincial Road Asset Management Systems are kept up to date</li> </ul> </li> <li>• This funding (up to a maximum of R10 million) may be used for the appointment of mainly public servants to infrastructure units. This funding is allocated as part of a capacity support and is available until the 2015/16 financial year</li> <li>• Provinces must submit visual condition inspection data to the national data repository as per the format determined by the Committee of Transport Officials (COTO), Road Asset Management System (RAMS) Technical Sub-Committee and prescribed by the national DoT</li> <li>• 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</li> <li>• A draft detailed Road Asset Management Plan (RAMP) for 2014/15 that is compliant with the requirements of the Government Immovable Assets Management Act (2007) and based on the COTO Road Asset Management Guidelines must be submitted by 29 August 2014 to DoT, relevant provincial treasury and National Treasury</li> <li>• The payment of the first installment is dependent upon submission to DoT and the relevant provincial treasury of the following: <ul style="list-style-type: none"> <li>○ receipt by DoT of all outstanding RAMS data, signed-off 2014/15 fourth quarter performance report, monthly Infrastructure Reporting Model (IRM) and signed-off budget sheet by 15 April 2014</li> <li>○ planning IRM for 2014 Medium Term Expenditure Framework, final RAMP and signed-off project list for the 2014 Medium Term Expenditure Framework (MTEF) in a Table B5 format by 19 April 2014</li> </ul> </li> <li>• The payment of the second installment of this grant is dependent on submission to DoT of the first quarter performance report for 2014/15, updated monthly IRM and signed-off budget sheet by 15 July 2014</li> </ul>

<b>Provincial Roads Maintenance Grant</b>	
	<ul style="list-style-type: none"> <li>• The third instalment is dependent on receipt by DoT of the second quarter performance report for 2014/15, updated IRM and signed-off budget sheet for 2014/15 by 15 October 2014</li> <li>• The fourth instalment is dependent on receipt of the third quarter performance report for 2014/15, updated monthly IRM and signed-off budget sheet reporting for 2014/15 by 15 January 2015</li> <li>• Should the cost of repairing the disaster affected infrastructure exceed the amounts earmarked below provinces must fund that shortfall from their provincial equitable share</li> <li>• The following amounts per province must be used in 2014/15 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"> <li>○ Eastern Cape: R171.2 million</li> <li>○ Free State: R33.3 million</li> <li>○ Gauteng: R1.4 million</li> <li>○ KwaZulu-Natal: R52.2 million</li> <li>○ Limpopo: R79.6 million</li> <li>○ Mpumalanga: R76.3 million</li> <li>○ Northern Cape: R93.2 million</li> <li>○ North West: R8.1 million</li> <li>○ Western Cape: R86.9 million</li> </ul> </li> <li>• 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</li> <li>• 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</li> <li>• Quarterly performance reports on disaster allocations must be submitted to the NDMC</li> <li>• All S'hamba Sonke projects must be branded in the contract sign boards with the logo S'hamba Sonke</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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"> <li>○ Mpumalanga must allocate at least R740 million in 2014/15 to coal haulage projects</li> <li>○ KwaZulu-Natal must allocate R63 million in 2014/15 for roads supporting the Avon Peaking Power Plant</li> </ul> </li> <li>• The funding for rehabilitation and repair of roads and bridges that were assessed by the NDMC is subject to separate allocation criteria</li> <li>• From 2015/16 the grant will become performance based</li> <li>• Allocation criteria from 2015/16 onwards shall consider compliance by provinces to submit recently updated road condition data/report</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This grant is intended to ensure that provinces give priority to road infrastructure maintenance and promote efficiency in road investment</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R8 696 million to provinces, of R7 219 million (90 per cent) was spent by provinces</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 4.3 million m<sup>2</sup> of re-sealing of paved roads</li> <li>• 13 346 km of re-gravelling</li> <li>• 1.1 million m<sup>2</sup> of black top patching of paved roads</li> <li>• 363 522 km of gravel roads bladed</li> <li>• 42 919 FTEs created</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The grant is ongoing, but will be subject to periodic review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R9 362 million, 2015/16: R9 952 million, and 2016/17: R10 292 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payment will be made in accordance with a payment schedule agreed to with provinces and approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Assess and evaluate all provinces' Road Asset Management Plans (RAMP) and give feedback to provincial departments</li> <li>• The DoT in partnership with the national Department of Public Works 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</li> <li>• 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</li> <li>• Submit quarterly performance reports to National Treasury and the National Council of Provinces within 45 days after the end of each quarter</li> <li>• Submit a grant evaluation report to National Treasury 120 days after the end of the financial year</li> </ul>



<b>Provincial Roads Maintenance Grant</b>	
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial departments must submit quarterly infrastructure reports to the DoT and the relevant provincial treasury that comply with the Infrastructure Reporting Model and S'hamba Sonke templates 45 days after the end of each quarter</li> <li>• Provincial departments must implement their projects in line with the S'hamba Sonke and EPWP guidelines</li> <li>• Provincial departments should report on the EPWP job creation data to the DoT and national Department of Public Works on the EPWP reporting system</li> <li>• Provinces must report all infrastructure expenditure partially or fully funded by this grant on the Infrastructure Reporting Model provided by the National Treasury</li> <li>• Ensure projects are selected using RAMS as the primary source of information</li> <li>• Ensure ongoing stakeholder communication and engagement, with regard to planning and implementation of road projects</li> <li>• Ensure that the approved PRMG funded projects are gazetted through the provincial legislative system and processes. The national Department of Transport's approval is needed on the PRMG project list before it is tabled at the provincial legislature</li> <li>• Design and implement projects in compliance with the S'hamba Sonke and EPWP guidelines</li> <li>• Submit quarterly performance reports within 30 days after the end of each quarter to DoT, the relevant provincial treasury and National Treasury</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces submit a draft business plan in the prescribed Road Asset Management Plan (RAMP) format, with projects selected using RAMS as the primary source, by 29 August 2014</li> <li>• Road Asset Management Plans including PRMG project lists are assessed and reviewed by DoT, Department of Public Works and National Treasury and feedback is provided within 30 days</li> <li>• Provinces to submit final 2014/15 RAMP to DoT, relevant provincial treasury and National Treasury by end November 2014</li> </ul>

<b>Public Transport Operations Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Subsidisation of road based public transport services</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide supplementary funding towards public transport services provided by provincial departments of transport</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• The provision of public transport services in terms of contracts which are kilometre based and affordable to the users of the services</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Subsidy per trip operated</li> <li>• Subsidy per kilometre operated</li> <li>• Subsidy per passenger</li> <li>• Subsidy per vehicle</li> <li>• Number of vehicles subsidised</li> <li>• Number of cumulative annual vehicles subsidised</li> <li>• Number of scheduled trips</li> <li>• Number of trips operated</li> <li>• Passengers per kilometre operated</li> <li>• Passengers per trip operated</li> <li>• Employees per vehicle</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The conditional grant is a national contribution to subsidised service contracts entered into by the provincial departments of transport and public transport operators for the provision of affordable subsidised services</li> <li>• 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</li> <li>• If the contracting function is devolved to any municipality before the 2014/15 adjustment budget, the appropriate portion of the grant will also be devolved to the municipality</li> <li>• The implementation of the devolution should be in terms of section 17(6) of the Division of Revenue Act (DoRA)</li> <li>• The municipality and province will have to make transitional arrangements to ensure payments to operators meet contractual commitments. Should contracts be devolved during 2013/14, a Service Level Agreement (SLA) between the province and the municipality must be signed and funds must flow in line with 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</li> <li>• All new contracts concluded must be done as per relevant legislation and in compliance with the Public Transport Strategy</li> <li>• Designs and operators' business plans detailing subsidised services must be approved by a Public Transport Integration Committee comprising of the three spheres of government to ensure alignment with Integrated Public Transport Network (IPTN) plans. Where an Intermodal Planning Committee is established at municipal level, in terms of the National Land Transport Act, the functions of the two committees must be consolidated to ensure integration of planning, services and modes</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The 2014/15 to 2016/17 allocations are based on 2009 DoRA allocation baseline plus a percentage of additional budget per year as determined by National Treasury. Provinces/contracting authorities should determine individual operator's budget and ensure that the operation stays within the allocation or provide supplementary funds from the provincial budget</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Subsidies are earmarked for the provision of public transport services</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R4 317 million to provinces, of which R4 315 million (99.9 per cent) was spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Summary of monthly averages for key outputs and performance for subsidised services 2012/13: <ul style="list-style-type: none"> <li>○ number of vehicles subsidised: 6 600</li> <li>○ total number of cumulative annual vehicles subsidised: 79 196</li> <li>○ number of routes subsidised: 121.5</li> <li>○ number of vehicle kilometres subsidised: 255.6 million</li> <li>○ subsidy/vehicle: R55.4</li> <li>○ subsidy/passenger: R12.8</li> <li>○ subsidy/kilometre operated: R17.2</li> <li>○ kilometres operated/vehicle: 3 228</li> <li>○ passengers/vehicle: 4 342</li> <li>○ passengers/trip operated: 50.4</li> <li>○ passenger revenue/kilometre: R15.1</li> </ul> </li> </ul>

<b>Public Transport Operations Grant</b>	
	<ul style="list-style-type: none"> <li>○ passenger revenue/trip operated: R546.1</li> <li>○ staff/vehicle: 2.6</li> <li>○ number of subsidised passengers: 343.8 million</li> <li>○ number of unsubsidised passengers: 12.9 million</li> <li>○ number of trips subsidised: 6.8 million</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● Subject to the devolution of funds to local government as part of the operationalisation of the National Land Transport Act (NLTA)</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>● 2014/15: R4 833 million, 2015/16: R5 053 million, and 2016/17: R5 318 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● Twelve monthly installments according to a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>● Improve efficiencies in public transport spending</li> <li>● Maintain national database with key performance indicators of public transport services as per data received from contracting authorities</li> <li>● Develop and coordinate the necessary contracting documents to be used in subsidising public transport services</li> <li>● Provide guidelines and criteria for the development of business plans for services to be subsidised</li> <li>● Advise contracting authorities regarding the design of contracted services</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>● Any contractual agreement entered into by a contracting authority in relation to this grant will be the responsibility of the contracting authority</li> <li>● Ensure that contracted operators' certified claims are paid within thirty calendar days from the date of receipt</li> <li>● Certify and submit monthly performance reports to DoT within 25 calendar 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</li> <li>● Provinces must assist municipalities in the process of devolving the contracting function as set out in the NLTA</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>● Not applicable</li> </ul>

**ANNEXURE W3:**  
**FRAMEWORKS FOR CONDITIONAL**  
**GRANTS TO MUNICIPALITIES**

## **Annexure W3: Frameworks for Conditional Grants to Municipalities**

### **Detailed frameworks on 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 2014 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
- 2014 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving municipalities
- Process for approval of business plans for 2015/16

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 2014 Division of Revenue Bill is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2014/15 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 GRANTS

<b>Municipal Disaster Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To enable a timely response to immediate needs after a disaster has occurred</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide for the immediate release of funds for disaster response</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Immediate consequences of disasters are mitigated</li> <li>Emergency repair of critical infrastructure and provision of essential services</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Victims of disasters provided with immediate relief</li> <li>The impact of disasters mitigated</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the guideline developed by the National Disaster Management Centre (NDMC) which must include a detailed disaster report highlighting: <ul style="list-style-type: none"> <li>number of people affected and the extent of infrastructural damages and losses</li> <li>various sectors affected</li> <li>items to be purchased or that have already been purchased by municipalities with relevant proof</li> <li>support received from Non-Government Organisations (NGOs) and local businesses</li> <li>contribution by the municipality (both financially and in-kind)</li> <li>funds required for disaster response</li> <li>plan on how the funds will be spent</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>A copy of the classification letter and declaration of disaster in terms of the Disaster Management Act must be submitted to the NDMC</li> <li>Funds from this grant must be used to repair or replace infrastructure that supports the provision of basic municipal services and environmental health services for six months after the disaster</li> <li>Provide temporary shelter in the event that the Department of Human Settlements is unable to make provision for immediate housing, with evidence that they are unable to make such provisions</li> <li>Provide humanitarian relief, in the event that the Department of Social Development is unable to make provision, with evidence that they are unable to make such provisions</li> <li>Municipalities must fund a portion of the costs of the disaster response and recovery from their own budget or prove that they are not able to do so</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated based on declared municipal disasters and assessment reports of immediate needs</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant caters for response to unforeseen disasters</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R330 million was allocated and R73.1 million was transferred to municipalities in Limpopo, Eastern Cape and Western Cape provinces</li> </ul> <p><b>2012/2013 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Following the occurrence of floods, emergency relief was provided as follows: <ul style="list-style-type: none"> <li>Langeberg Local Municipality (LM): repairs to raw water pipeline which cut off drinking water to Montague</li> <li>Bitou LM: repair and relocation of damaged sewer pump station</li> <li>Ndlambe LM: repair to water and sewer pumps, waste water treatment works and access roads</li> <li>Kouga LM: repairs to access roads, causeway and bridges, sewer plant, pump station</li> <li>Nelson Mandela Bay Metropolitan Municipality: repairs to a sewer plant and pump station, access roads and bridge, and a water pipe</li> <li>Sundays River Valley LM: repair of sewer pump station</li> <li>Koukamma LM: repair of sewer system</li> <li>Makana LM: repair to electrical infrastructure and sewer pump station</li> <li>Maruleng LM: repair of water purification plant and access road</li> </ul> </li> <li>29 995 households benefitted from this grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant is expected to continue over the medium term and will be subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R364 million, 2015/16: R376 million, and 2016/17: R396 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>

<b>Municipal Disaster Grant</b>	
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of National Disaster Management Centre</b></p> <ul style="list-style-type: none"> <li>• Advise municipalities and Provincial Disaster Management Centres (PDMCs) about the existence of the grant and how grant funding can be applied for</li> <li>• Circulate a guideline on the items that will qualify for funding through this grant by end June 2014</li> <li>• Establish procedures for funding items already purchased by municipalities</li> <li>• Together with the affected municipalities and provinces, conduct preliminary assessments of disaster impacts to verify the applications for funding within 40 days following the receipt of written funding requests and as per the requirements of the Disaster Management Act</li> <li>• Seek approval from National Treasury for disbursement of funds to municipalities and provide written advice on the timing of disbursements to municipalities and transfer these funds to municipalities within 5 days of drawing the funds from the National Revenue Fund</li> <li>• Notify the relevant municipality of a transfer at least 1 day before transfer and transfer the funds no later than five days after notification</li> <li>• Notify the relevant PDMC and its respective Provincial Treasury of a transfer and reason for transfer within 5 days of the transfer of funds to municipalities</li> <li>• Build relationships and establish the necessary communication channels with relevant national departments to ensure the country has a coordinated approach to disaster response</li> <li>• Provide a performance report to National Treasury within 45 days of the end of the quarter in which funds are spent</li> <li>• Provide National Treasury and the relevant Provincial Treasury with written notification of the transfer within 14 days of a transfer of this grant</li> </ul> <p><b>Responsibilities of Provincial Disaster Management Centres</b></p> <ul style="list-style-type: none"> <li>• Advise municipalities about the existence of the grant and how grant funding can be applied for</li> <li>• Together with the affected municipalities, conduct preliminary assessments of disaster impacts to verify the applications for funding within 40 days following the occurrence of the incident and as per the requirements of the Disaster Management Act</li> <li>• Assist municipalities with requests for disaster funding, and monitor projects and provide reports to the NDMC and Provincial Treasury</li> <li>• Provide a performance report to the NDMC within 30 days of the end of the quarter in which funds are spent</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Provide a performance report to the NDMC and relevant PDMC within 30 days of the end of the quarter in which funds are spent</li> <li>• Initiate requests for disaster funding and monitor projects and provide a report to the NDMC through the relevant PDMC</li> <li>• Municipalities must follow emergency procurement processes when spending the grant fund</li> <li>• Submit request for funding within 45 days following the declaration of a disaster</li> </ul>
<b>Process for approval of 2015/16 MTEF allocations</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

<b>Municipal Disaster Recovery Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To restore functionality of municipal infrastructure following a disaster</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To rehabilitate and reconstruct disaster damaged municipal infrastructure</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Disaster damaged municipal infrastructure rehabilitated and reconstructed</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of disaster damaged municipal infrastructure rehabilitated and reconstructed</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the template/framework developed by the National Disaster Management Centre (NDMC) which must include a project implementation plan, highlighting: <ul style="list-style-type: none"> <li>list of projects to be implemented in terms of priority</li> <li>time frames within which the projects will be implemented</li> <li>the implementation of disaster risk reduction measures for these projects to prevent reoccurrence</li> <li>number of people to benefit from the projects and jobs created</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>A business plan and project implementation plan signed by the accounting officer aligned to the post disaster verification assessment report must be submitted to the NDMC</li> <li>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</li> <li>Quarterly financial and non-financial performance reports on disaster allocations must be submitted to the NDMC</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated based on approved post disaster reconstruction and rehabilitation assessment reports</li> <li>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</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant caters for response to unforeseen disasters</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant is projected to end in 2015/16, but will be subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R37 million, and 2015/16: R22 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of National Disaster Management Centre</b></p> <ul style="list-style-type: none"> <li>Advise municipalities about the existence of the grant and its conditions</li> <li>Provide through the Provincial Disaster Management Centre (PDMC) a final post disaster verification assessment report that includes a project list for all infrastructure to be reconstructed or rehabilitated</li> <li>Together with the affected municipalities and provinces, monitor the implementation of projects</li> <li>Notify the relevant municipality of a transfer at least one day before transfer and transfer the funds no later than five days after notification</li> <li>Notify the relevant PDMC of a transfer and reason for transfer within one day of the transfer of funds to municipalities</li> <li>Provide a performance report to National Treasury within 45 days of the end of the quarter in which funds are spent</li> <li>Provide National Treasury and the relevant Provincial Treasury with written notification of the transfer within 14 days of a transfer of this grant</li> </ul> <p><b>Responsibilities of Provincial Disaster Management Centres</b></p> <ul style="list-style-type: none"> <li>Advise municipalities about the existence of the grant and its conditions</li> <li>Assist municipalities with the rapid assessment reports to be submitted to NDMC</li> <li>Provide support to municipalities with regard to the final post disaster verification report</li> <li>Ensure that the final post disaster verification report is signed off by both the accounting officer within the municipalities and the provincial department</li> <li>Provide a final post disaster verification report to municipalities</li> <li>Assist municipalities with business plans incorporating the implementation plan and disaster risk reduction measures for disaster funding</li> <li>Conduct on site visits to monitor the implementation of projects and provide reports to the NDMC</li> <li>Provide expenditure and performance report to the NDMC within 30 days of the end of the quarter in which funds are spent</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Develop and submit business plans incorporating implementation plans and disaster risk reduction measures for the disaster funding</li> <li>Conduct on site visits to monitor projects and provide reports to the NDMC through the relevant PDMC</li> <li>Utilise the funds in line with the approved post disaster verification assessment report</li> <li>Provide financial and performance reports to the NDMC and relevant PDMC within 30 days of the end of the quarter in which funds are spent</li> </ul>
<b>Process for approval of 2015 MTEF allocations</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>



<b>Municipal Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Subsidise the capital costs of providing basic services to poor households</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved access to basic services infrastructure for poor communities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of additional poor households receiving basic water and sanitation services</li> <li>Number of additional kilometres of municipal roads developed</li> <li>Number of additional poor households serviced by transfer stations, recycling facilities and solid waste disposal sites</li> <li>Number of additional poor households serviced by sport and recreation facilities</li> <li>Number of additional poor households serviced by street/community lighting</li> <li>Number of additional poor households serviced by public facilities</li> <li>Number of work opportunities and Full-Time Equivalents (FTEs) created using Expanded Public Works Programme (EPWP) guidelines for above outputs</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>As per the Municipal Infrastructure Grant (MIG) registration form as agreed with sector departments</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Receiving officers must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and must be informed by the Integrated Development Plan (IDP) (Chapter 5 of the Municipal Systems Act, 2000) and a three year capital plan</li> <li>Prioritise basic residential infrastructure for water, sanitation, roads, refuse removal, streets lighting, connector and internal bulk infrastructure, and other municipal infrastructure like sport and recreation and community facilities in line with the MIG 2004 policy framework and/or other government sector policies</li> <li>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</li> <li>Funds can be used for new or upgrading of municipal bulk and connector infrastructure to support the formalisation of settlements subject to compliance with sector policies and on condition that pre-2001 backlogs have been addressed</li> <li>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</li> <li>Municipalities must use labour-intensive construction methods in terms of Expanded Public Works Programme (EPWP) guidelines</li> <li>Municipalities must comply with sector norms, standards and legislation as confirmed by sectors through the project registration process</li> <li>A municipality receiving MIG must table a three year capital budget as part of its budget for the 2014/15 financial year in accordance with the Municipal Finance Management Act, unless exempted in terms of that Act</li> <li>The MIG must be transferred directly to a category B or C municipality that has the powers and functions referred to in section 84 of the Municipal Structures Act, to enable the municipality to provide basic municipal infrastructure (to category C municipalities only as it relates to water and sanitation)</li> <li>A maximum of 5 per cent of a municipality's MIG allocation may be used for project management costs directly related to infrastructure projects</li> <li>At least 95 per cent of a municipality's MIG allocation must be appropriated on the municipality's capital budget</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Part 5 of the Explanatory Memorandum to the Division of Revenue Bill spells out the MIG formula in detail, showing how the formula incorporates backlog and poverty data</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>The MIG programme was allocated R13 881 million in the 2012/13 financial year. An amount of R13 881 million was transferred to municipalities and R10 963 million (79 per cent) was reported as spent by the end of municipal financial year</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Additional poor households receiving: <ul style="list-style-type: none"> <li>water: 151 300</li> <li>sanitation: 91 474</li> <li>street/community lighting: 8 346</li> </ul> </li> <li>Number of additional kilometres of municipal roads developed: 1 022</li> <li>Number of additional solid waste sites and transfers stations developed: 5</li> </ul>

<b>Municipal Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>• Number of additional sport and recreation facilities servicing poor communities developed: 26</li> <li>• Number of public facilities servicing the poor developed: 54</li> <li>• Number of work opportunities created using EPWP guidelines for above outputs: 131 916 work opportunities</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The programme will continue up to 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R14 684 million, 2015/16: R15 098 million, and 2016/17: R15 767 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer, national departments, provincial departments and receiving officer</b>	<p><b>Responsibilities of national departments</b></p> <ul style="list-style-type: none"> <li>• Department of Cooperative Governance (DCoG) administers the MIG and co-ordinates its activities with all stakeholders, through appropriate structures: <ul style="list-style-type: none"> <li>○ DCoG must monitor expenditure and non-financial performance</li> <li>○ DCoG is responsible for the coordination of overall programme implementation</li> </ul> </li> <li>• Department of Water Affairs: <ul style="list-style-type: none"> <li>○ support and monitor municipalities to prepare and implement Water Services Development Plans (WSDPs)</li> <li>○ monitor and oversee progress on water and sanitation projects implemented through the MIG</li> <li>○ synchronise between the MIG programme, Regional Bulk Infrastructure Grant and the Municipal Water Infrastructure Grant</li> </ul> </li> <li>• Department of Human Settlements: <ul style="list-style-type: none"> <li>○ support and monitor municipalities to prepare and implement sanitation component of the WSDPs</li> <li>○ monitor and oversee progress on sanitation projects implemented through the MIG</li> <li>○ coordinate policy and planning of housing development and the provision of infrastructure through the MIG programme, between the MIG programme and the housing programme</li> </ul> </li> <li>• Department of Public Works: <ul style="list-style-type: none"> <li>○ monitor compliance with the EPWP guidelines and advise municipalities on the use of labour intensive processes, systems, techniques and approaches</li> <li>○ support municipalities with planning for public facilities in terms of EPWP</li> <li>○ monitor the number of work opportunities and Full Time Equivalents created on MIG funded projects that contribute towards EPWP</li> <li>○ ensure that municipalities register their EPWP projects on the EPWP reporting system and monitor compliance to norms and standards applicable to this sector</li> </ul> </li> <li>• 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</li> <li>• Department of Energy: support municipalities with planning and implementation of public lighting and monitor municipalities' performance and compliance with conditions applicable to this sector</li> <li>• 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</li> <li>• Department of Transport: support municipalities with planning and implementation of municipal roads and monitor municipalities' performance and compliance with conditions applicable to this sector</li> <li>• Each national sector department will be expected to fulfil a monitoring role on the relevant sector outputs in collaboration with provinces and districts municipalities</li> </ul>
	<p><b>Responsibilities of provincial departments responsible for local government</b></p> <ul style="list-style-type: none"> <li>• Coordinate municipal reports and submit to the national department</li> <li>• Coordinate district appraisal and progress meetings</li> <li>• Provide and coordinate technical support to municipalities</li> <li>• Monitor project implementation in collaboration with sectors and submit site visit reports to DCoG</li> <li>• Monitor compliance with provincial legislation and alignment to Provincial Growth and Development Strategies through project registration</li> <li>• Monitor performance of municipal Project Management Units and recommend relevant sanctions for under-performance to DCoG</li> <li>• Final sign-off on registered projects on the Municipal Infrastructure Grant-Management Information System (MIG-MIS)</li> </ul> <p><b>Responsibilities of provincial sector departments</b></p> <ul style="list-style-type: none"> <li>• Each provincial sector department must fulfil a sectoral monitoring and guidance role on relevant sectoral outputs</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and must be informed by the IDP and three year capital plan</li> <li>• Municipalities must monitor each project and ensure that MIG funds are spent for the intended purpose as registered under the MIG-MIS</li> <li>• 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</li> </ul>

<b>Municipal Infrastructure Grant</b>	
<b>Process for approval of 2015/16 MTEF allocations</b>	<ul style="list-style-type: none"> <li>• Municipalities must submit all technical reports to the sector departments responsible for water, sanitation, solid waste, sport and recreation, roads and transport for all projects to be implemented in 2015/16, by 31 July 2014</li> <li>• The responsible sector department must evaluate reports and provide final recommendations to the municipality by 30 September 2014</li> <li>• The municipality must submit all the project registration forms by 1 October 2014, for projects to be implemented in 2015/16 to the provincial department responsible for local government</li> <li>• The provincial departments must provide final recommendations to municipalities by 28 November 2014</li> <li>• Municipalities must submit to the national department by 31 January 2015, detailed project implementation plans for all the projects to be implemented in the 2015/16 and 2016/17 financial years</li> <li>• Such plans should include timelines regarding project designs, initiation of procurement, and Environmental Impact Assessment (EIA) and/or relevant permit/license approvals in the prescribed format</li> </ul>

<b>Municipal Systems Improvement Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance and Traditional Affairs (Vote 3)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>An efficient and developmental sphere of government capable of delivering services to local communities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act (MSA) and related legislation</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of municipalities with information systems that support effective service delivery</li> <li>Number of municipalities with strengthened administrative systems enabling effective implementation of the ward participation system</li> <li>Number of municipalities developing by-laws and policies that support local government legislation</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Municipalities must submit 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</li> <li>Municipalities must submit a status report on their Information and Communications Technology (ICT) infrastructures on a quarterly basis to the DCoG</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant allocations are equally made to all non-metropolitan municipalities</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The grant is conditional and aimed at building the capacity of municipalities to implement sound institutional and governance systems required in terms of Local Government: Municipal Systems Act</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated R230 million, and transferred R230 million</li> </ul> <p><b>2012/13 municipal pre-audit outcome</b></p> <ul style="list-style-type: none"> <li>R230 (100 per cent) was spent at the end of the municipal financial year</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>98 municipalities were supported on information systems that support effective service delivery</li> <li>93 municipalities were supported to strengthen administrative systems enabling effective implementation of the ward participation system</li> <li>158 municipalities were supported to develop by-laws, policies and systems that support local government legislation</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant continues until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R252 million, 2015/16: R261 million, and 2016/17: R275 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>Submit monthly, quarterly and annual performance reports to National Treasury</li> <li>Monitoring of expenditure on the grant and analysis of monthly expenditure reports from municipalities and where necessary engaging provinces and/or municipalities</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Comply with the duties of the receiving officer per the Division of Revenue Act</li> <li>Submit monthly, quarterly and annual performance reports to the DCoG</li> </ul>
<b>Process for approval of 2015/16 allocations</b>	<ul style="list-style-type: none"> <li>Activity plan format guidelines, criteria, outputs and reporting templates sent by DCoG to municipalities by 28 February 2014</li> <li>Submission of business/activity plans by municipalities by 28 March 2014</li> </ul>

## ENERGY GRANTS

<b>Energy Efficiency and Demand Side Management (EEDSM) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Energy (Vote 29)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce electricity consumption by promoting energy efficient practices</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide subsidies to municipalities to implement Energy Efficiency and Demand Side Management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency</li> </ul>
<b>Outcomes statements</b>	<ul style="list-style-type: none"> <li>Reduced demand for electricity</li> <li>Increased awareness of energy saving</li> <li>Skills development in energy efficiency</li> <li>Energy management capability enhanced</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Amount of electricity saved in MWh</li> <li>Number of energy efficient street lights retrofitted</li> <li>Number of energy efficient traffic lights retrofitted</li> <li>Number of buildings retrofitted</li> <li>Number of jobs created</li> <li>Number of inefficient technologies in street, traffic and building lighting, water services infrastructure retrofitted with efficient technologies</li> </ul>
<b>Details contained in the business plans</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> <li>Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Funds can only be used to implement electricity savings projects in municipal infrastructure</li> <li>The focus for implementation of Energy Efficiency (EE) interventions shall be limited to buildings, streetlights, traffic lights, and waste water treatment and pump stations</li> <li>Municipalities must respond to the Request For Proposal (RFP) issued by the Department of Energy (DoE) in the format provided</li> <li>Sign a contractual agreement with the DoE</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Because of limited budget the following criteria shall be used for selection of municipalities: <ul style="list-style-type: none"> <li>municipalities that have responded to the RFP as issued by the DoE and have shown a higher electricity savings potential in their proposal</li> <li>municipalities that have shown readiness to implement</li> <li>past performance if previously participated in the programme</li> <li>performance of other electrification programmes funded by the DoE</li> <li>capacity to provide electricity reticulation</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional transfer in support of the EEDSM programme</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The grant was allocated R200 million and the entire R200 million was transferred to municipalities, of which municipalities reported to have spent R56.1 million (28.1 per cent) of the allocated amount</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>A total electricity saving of 18.32GWh was reported against the projected savings (baseline) of 39.23GWh in line with the monitoring and evaluation tool. The reported savings have not been verified in terms of the measuring and verification protocol</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R 137 million, 2015/16: R 188 million and 2016/17: R204 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Monitoring and evaluation of the EEDSM programme</li> <li>Provide municipalities with guidance through capacity building workshops on best practices and pricing for EEDSM projects</li> <li>Communicate to municipalities the process and requirements for obtaining EEDSM grant funds in 2015/16</li> <li>Undertake the measuring and verification for all grant funded projects</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Submit the proposal as per the RFP issued by DoE</li> <li>Implement the EEDSM programme as per the framework and contractual agreement</li> <li>Submit to the DoE the monthly and quarterly reports approved by the municipal manager</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>Allocations for 2015/16 will be based on the proposals submitted in line with the RFP issued by the DoE</li> <li>Proposals must be submitted by 7 November 2014 and will be evaluated against the criteria as set out by the DoE in the framework</li> </ul>

<b>Integrated National Electrification Programme (Eskom) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Energy (Vote 29)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce the backlogs of un-electrified households and funding of bulk infrastructure to ensure constant supply of electricity</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A reduction in household and clinic electrification backlogs</li> <li>Universal access to electricity and improvement in distribution infrastructure reliability</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The number of connections to households and clinics per annum</li> <li>The number of bulk infrastructure installations</li> <li>Implementation of labour intensive methods on electrification projects and the number of jobs created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Plans need to have undergone pre-engineered project feasibility approval</li> <li>Projects must be prioritised by municipalities in their Integrated Development Plans (IDPs) and supporting letters provided to demonstrate municipalities are in agreement with projects to be undertaken</li> <li>Eskom to comply with requirements to provide approved bulk project in their business plans</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations to Eskom are made on behalf of municipalities based on applications from Eskom for non-licensed municipalities according to the following criteria: <ul style="list-style-type: none"> <li>high backlogs</li> <li>rural bias</li> <li>integration with other programmes such as Urban Renewal Programme, Integrated Sustainable Rural Development and other infrastructure programmes like Breaking New Ground (BNG)</li> <li>ability to provide top-up or seed capital for project finance</li> <li>effective credit control policies</li> <li>cost of project is contained and aligned with IDPs for a particular municipality</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional capital transfer for electrification of households and clinics</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R1 879 million was allocated, transferred R1 879 million to Eskom, of which R1 504 million (80 per cent) was spent by the end of the 2012/13 financial year</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>118 926 connections were completed at the end of the financial year</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2015/16, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R2 948 million, 2015/16 R3 680 million, and 2016/17: R3 875 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Agree with Eskom on outputs and targets</li> <li>Continuously monitor implementation</li> <li>Provide central coordination for bulk infrastructure</li> <li>Approve submissions for refurbishment of critical infrastructure</li> </ul> <p><b>Responsibilities of Eskom</b></p> <ul style="list-style-type: none"> <li>Minimum size of supply of 2.5 KVA, ADMD, 20 Amp per household connection and applicable supply for clinic connections</li> <li>Provide 20 Amp connections for households and applicable supply for clinic connections</li> <li>Report to Department of Energy and National Treasury on monthly expenditure for the grant</li> </ul>
<b>Process for approval of 2015/16 MTEF allocations</b>	<ul style="list-style-type: none"> <li>Ensure that all planned projects are in line with municipal IDPs and the priority list</li> <li>Ensure that planned projects are feasible and went through the pre-engineering process</li> </ul>

<b>Integrated National Electrification Programme (Municipal) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Energy (Vote 29)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce the backlogs of un-electrified households and funding of bulk infrastructure to ensure constant supply of electricity</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A reduction in household electrification backlogs</li> <li>Universal access to electricity and improvement in distribution infrastructure reliability</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The number of connections to households per annum</li> <li>The number of bulk infrastructure installations</li> <li>Implementation of labour intensive methods on electrification projects and the number of jobs created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Adhere to labour intensive construction methods in terms of the Expanded Public Works Programme (EPWP) guidelines for activities such as trenching, and planting of poles</li> <li>Register 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</li> <li>Use INEP funds for the refurbishment of critical infrastructure, only upon submission of a project plan which must be approved by DoE</li> <li>Utilise own funding if subsidy is insufficient – top-up funding must be available</li> <li>Minimum size of supply of 1.2 KVA, After Diversity Maximum Demand (ADMD), 20 Amp per household connection</li> <li>Municipalities to utilise up to R1.5 million of the total allocation for Service fees (Pre-Engineering and Eskom connection fee) if approved by the Department of Energy in their business plans</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on applications from licensed municipal distributors and are prioritised on: <ul style="list-style-type: none"> <li>high backlogs</li> <li>rural bias</li> <li>priority areas - 23 district municipalities</li> <li>number of occupied households for connections projects</li> <li>past performance</li> <li>integration with other programmes such as Urban Renewal Programme, other infrastructure programmes like Breaking New Ground (BNG)</li> <li>the financial, technical and staff capabilities to distribute electricity and expand and maintain the networks</li> <li>consultation with communities in terms of the Integrated Development Plan (IDP) process</li> <li>ensuring that universal access objectives are fast tracked</li> <li>new and upgrading of bulk infrastructure projects related to (i) future electrification and (ii) where distribution network reliability adversely impacts economic activity</li> <li>infrastructure which is in a state of disrepair, unsafe and which prohibits further connections</li> <li>informal settlements where service delivery has been prioritised</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional capital transfer for electrification of households</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>R1 096 million was allocated and transferred to municipalities with (59 per cent) spent by the end of 2012/13 of which R1 019 million (93 per cent) was spent by the end of the municipal financial year</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>47 204 connections were achieved and 10 substations were completed</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Grant continues until 2016/17, subject to review</li> </ul>

<b>Integrated National Electrification Programme (Municipal) Grant</b>	
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R1 105 million, 2015/16: R2 056 million, and 2016/17: R2 165 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<b>Responsibilities of national department</b> <ul style="list-style-type: none"> <li>• Agree with municipalities on outputs and targets</li> <li>• Continuously monitor implementation and provide support to municipalities</li> <li>• Verify reports from municipalities</li> <li>• Evaluate the performance of the Approach to Distribution Asset Management pilot projects and submit a report to National Treasury by 30 September 2014</li> </ul>
	<b>Responsibilities of municipalities</b> <ul style="list-style-type: none"> <li>• Ensure that projects are implemented in line with what is reflected in the Integrated Development Plan of the municipality</li> <li>• Report correctly on the management of this grant</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Application forms are sent to municipalities and evaluation of all applications and business plan proposals received from municipalities to be done by 29 August 2014</li> </ul>



## HUMAN SETTLEMENTS GRANTS

<b>Municipal Human Settlements Capacity Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 31)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To ensure effective management of human settlements programmes at the local government level in line with the accreditation framework</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To build capacity in municipalities to deliver and subsidise the operational costs of administering human settlements programmes</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Human settlements programmes are administered by skilled personnel to ensure optimal service delivery</li> <li>Management information systems are in place and efficient to ensure that beneficiary management is effective, units and services delivered are appropriately recorded and accounted for</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Assets and liabilities successfully transferred from provinces to municipalities after assignment</li> <li>Housing projects successfully transferred from provinces to municipalities</li> <li>Staff transferred from provinces to municipalities</li> <li>Feasibility, design, planning, project management and monitoring capacity built in municipalities</li> <li>Organogram approved</li> <li>Capacity building plan in place</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 8: Sustainable human settlements and improved quality of household life</li> <li>Outcome 9: Responsive, accountable, efficient and effective local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Output indicators</li> <li>Outcome indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Positions to be funded from the conditional grant must be on the council-approved organogram for the department responsible for housing and human settlements in the municipality</li> <li>Municipalities to submit a business plan on how the grant is to be utilised. The business plan must reflect the municipality's plans to develop capacity to deal with planning, program and project management, subsidy and beneficiary management and financial management for human settlements</li> <li>If any staff is to be transferred from the province to the municipality, the business plan should reflect the number, levels, budgets for such staff as well as how such transferred staff will be absorbed/funded</li> <li>Funds must be spent in accordance with the approved business plans</li> <li>Municipalities must have submitted a level 3 business plan (earmarked for assignment)</li> <li>The flow of funds is subject to submission of a business plan and capacity building plan</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated to six metropolitan municipalities identified to be assigned the housing function in 2014. 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 500 per month</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>To facilitate the building of capacity in municipalities to be assigned to ensure functionality to deliver effective services in the human settlements sector by respective municipalities</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant continues until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R300 million, 2015/16: R300 million, and 2016/17: R300 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers will be made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Approve the national and municipal business plans and compliance certificates</li> <li>Provide frameworks for the development of municipal business plans</li> <li>Provide capacity development support to municipalities</li> <li>Undertake structured and other visits to municipalities as is necessary</li> <li>Facilitate regular interactions between national, provincial and municipal departments of human settlements</li> <li>Submit approved 2015/16 municipal and national plan to National Treasury by 31 March 2015</li> <li>Submit an annual evaluation report for 2014/15 on the performance of the grant to National Treasury by 31 July 2015</li> <li>Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>Establish national level institutional capacity support for municipalities</li> </ul>

<b>Municipal Human Settlements Capacity Grant</b>	
	<p><b>Responsibilities of the municipalities</b></p> <ul style="list-style-type: none"> <li>• Submit draft municipal business plans and compliance certificates to the national department by 30 April 2014</li> <li>• Submit final municipal business plans including cash flow projections by 30 June 2014</li> <li>• Submit the 2014/15 annual evaluation reports on their performance to the national department by 29 May 2015</li> <li>• Municipalities should utilise the grant to develop 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</li> <li>• Ensure effective and efficient utilisation of the grant</li> <li>• The monthly Division of Revenue Act expenditure and quarterly reports must be signed by the Municipal Manager</li> </ul>
<b>Process for approval of the 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Submission of a signed Executive Assignment Agreement and or draft agreement</li> <li>• First draft municipal business plans for 2015/16 financial year to be submitted to the national department by 28 November 2014</li> <li>• Submit final municipal business plans with cash flow projections and compliance certificates for the 2015/16 financial year to the national department by 10 February 2015</li> </ul>

<b>Rural Households Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 31)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce sanitation backlogs in rural households</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide specific capital funding for the reduction of rural sanitation backlogs and to target existing households where bulk-dependent services are not viable</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved access to basic sanitation in rural areas</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of rural households provided with access to on-site sanitation</li> <li>Number of jobs created</li> <li>Number of households trained in on-site technologies and maintenance of facilities</li> <li>Number of households reached by health and hygiene awareness training</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</li> <li>Outcome 8: Sustainable human settlements and improved quality of household life</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<p><b>Rural Households Infrastructure Grant direct component (Schedule 5B)</b></p> <ul style="list-style-type: none"> <li>Municipalities must submit business plans approved by the Accounting Officer, in accordance with their Water Services Development Plans (WSDPs)</li> <li>Fund training for beneficiaries on health and hygiene practices and how to maintain the facilities provided</li> <li>Target the provision of on-site sanitation facilities to rural households not intended for connector services</li> <li>The design of sanitation facilities has to be consistent with South African National Standards norms and standards</li> <li>The implementation of the programme must include training of communities on their responsibilities with regard to the outcomes of the programme and health and hygiene awareness training</li> </ul> <p><b>Rural Household Infrastructure Grant indirect component (Schedule 6B)</b></p> <ul style="list-style-type: none"> <li>For municipalities where this grant is implemented as an allocation-in-kind (Schedule 6B), the Department of Human Settlements (DHS) 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 2014</li> <li>SLAs must specify: <ul style="list-style-type: none"> <li>the consultation process undertaken with affected communities</li> <li>the alignment between the project plan and the municipality's WSDP</li> <li>the infrastructure that will be built</li> <li>how maintenance of the infrastructure will be conducted and funded in future by the municipality</li> <li>details of how the capacity of the municipality will be strengthened through the process so that it can implement projects itself in future</li> <li>agreement by the municipality that the project should be implemented as an allocation-in-kind</li> </ul> </li> <li>DHS must provide for skills transfer as part of the implementation of projects</li> <li>If a municipality does not submit a business plan by 30 June 2014 the municipality's allocation may be allocated to a performing municipality</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on the highest number of backlogs in each of the 23 priority district municipalities identified by government</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a special purpose grant with specific objectives and distribution criteria</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The indirect grant was allocated R340.6 million and expenditure was recorded at R135 million (60 per cent) of the allocation</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Number of households served with sanitation facilities per province were as follows: <ul style="list-style-type: none"> <li>Eastern Cape: 6 488</li> <li>Free State: 1 675</li> <li>KwaZulu-Natal: 6 558</li> <li>Limpopo: 5 320</li> <li>Mpumalanga: 2 936</li> <li>Northern Cape: 507</li> <li>North West: 3 893</li> <li>Total: 27 377</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2016/17, and will be subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>Direct Transfers (Schedule 5B) 2014/15: R48 million, 2015/16: R51 million, and 2016/17: R125 million</li> <li>Allocation-in-kind (Schedule 6B) 2014/15: R66 million and 2015/16: R67 million</li> </ul>

<b>Rural Households Infrastructure Grant</b>	
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Administer the implementation of the programme</li> <li>• To approve the business plans submitted by municipalities for Schedule 5B allocations</li> <li>• Agree on Service Level Agreements (SLAs) with municipalities for Schedule 6B allocations</li> <li>• Continuously monitor implementation and provide support to municipalities</li> <li>• Submit monthly financial and quarterly non-financial reports to National Treasury</li> <li>• Submit an annual evaluation report after the end of the financial year</li> <li>• Explore the possibility of incorporating beneficiation of sanitation waste in projects</li> <li>• Provide support to municipalities and households</li> <li>• Verify reports from municipalities</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Municipalities will be responsible for selection of the project areas that provide total coverage within available funds</li> <li>• Municipalities shall be responsible for maintenance of the installed infrastructure</li> <li>• Submit monthly financial and quarterly non-financial reports for Schedule 5B allocations</li> <li>• Municipalities to ensure efficient and effective use of resources</li> <li>• Municipalities will choose the appropriate technology to be implemented</li> <li>• Municipalities must ensure that groundwater protocols have been conducted to manage the potential of groundwater contamination from the on-site sanitation facilities</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Business plans for Schedule 5B allocations must be submitted by 30 September 2014 for the 2015 Medium Term Expenditure Framework</li> <li>• SLAs for Schedule 6B allocations must be signed by 2 February 2015</li> </ul>

<b>Urban Settlements Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 31)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>The integrated sustainable human settlements and improved quality of household life outcomes to be realised are: <ul style="list-style-type: none"> <li>reduction in the real average cost of urban land for integrated development</li> <li>increase in the supply of well-located land for human settlements development</li> <li>improve spatial densities by providing household access to public amenities and socio-economic services</li> <li>household access to basic and reticulation services for poor communities and related infrastructure</li> <li>incremental improvements in security of tenure</li> <li>improved rates of household employment through skills development and transfer in the delivery of infrastructure</li> <li>bridging the gap for infrastructure provisions within mixed income and mixed use development to support the leveraging of private and non-state sector grants and funding</li> <li>improved spatial integration of poor and low income households for better access to socio-economic opportunities</li> <li>improving the sustainable livelihoods of poor households within the municipal jurisdiction</li> </ul> </li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of households in informal settlements provided with basic household and socio-economic infrastructure, via: <ul style="list-style-type: none"> <li>in-situ upgrading or</li> <li>relocation</li> </ul> </li> <li>Number of additional households receiving support in the access of basic municipal services, including water and sanitation, solid waste, transport access and area lighting</li> <li>The hectares of land identified, procured and proclaimed for informal settlements upgrading and/or mixed use development</li> <li>Number of title deeds transferred to eligible households</li> <li>Number of work opportunities created through the overall capital programme of the municipality</li> <li>Number of households provided with access to public amenities and economic services within upgraded settlements</li> <li>Improved dwelling unit densities within an improved spatial integration framework</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 8: Sustainable human settlements and improved quality of household life</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the Urban Settlements Development Grant (USDG) performance matrix, that is consistent with the Integrated Development Plan (IDP) including the Human Settlements Chapter and the Service Delivery and Budget Implementation Plans (SDBIPs) of the receiving municipalities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The flow of the first instalment is subject to: <ul style="list-style-type: none"> <li>submission of 2013/14 third quarter report, signed-off by the municipal Accounting Officer (AO)</li> <li>submission of USDG performance matrix for 2014/15, that is aligned to the municipal IDP, SDBIP and municipal budget, by 15 May 2014</li> </ul> </li> <li>The flow of the second instalment will be conditional upon the: <ul style="list-style-type: none"> <li>submission of 2013/14 fourth quarter report signed-off by the AO of the municipality</li> <li>submission of 2014/15 first quarter report signed-off by the AO of the municipality to the Transferring National Officer (TNO) and the National Treasury</li> <li>submission of the council approved SDBIP and IDP, the Outcome 8 delivery targets and the municipal human settlements development plan by 31 October 2014</li> </ul> </li> <li>Flow of the third instalment will be conditional upon submission and approval of signed-off second quarter report by the AO to the TNO and the National Treasury</li> <li>Municipalities must prioritise at least 3 per cent of their allocation to projects for bucket eradication and upgrading of sanitation</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2014 Division of Revenue Bill</li> <li>The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The grant was allocated R7 392 million, and the full amount was transferred to municipalities. Expenditure by municipalities was reported at R6 895 million (93 per cent of allocation) by the end of the municipal financial year</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Delivery performance as indicated in the performance evaluation reports for 2012/13</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The programme will continue until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R10 285 million, 2015/16: R10 655 million, and 2016/17: R11 232 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers will be made in accordance with a payment schedule approved by National Treasury</li> </ul>

<b>Urban Settlements Development Grant</b>	
<b>Responsibilities of national transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Develop proper indicators for the outcomes</li> <li>• Have a structured forum to meet with municipalities on a quarterly basis</li> <li>• Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities</li> <li>• Provide support to municipalities with regards to human settlement programmes</li> <li>• Undertake oversight visits to municipalities as may be necessary</li> <li>• Facilitate strategic and spatial planning support related to human settlements development</li> <li>• Submit an evaluation report on the 2013/14 municipal grant to National Treasury by 30 September 2014</li> <li>• Provide systems, including the Housing Subsidy System that support the administration of the human settlement delivery process</li> <li>• Comply with the responsibilities of the TNO outlined in the 2014 Division of Revenue Act (DoRA)</li> <li>• Review and approve USDG performance matrix</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Submit 2013/14 evaluation reports in terms of the USDG performance matrix, as contained in the SDBIP, to the TNO on or before 29 August 2014</li> <li>• Ensure that the USDG performance matrix is consistent and aligned with national priorities and provincial human settlements plans</li> <li>• Comply with the terms and conditions of the receiving officer outlined in the DoRA</li> <li>• Submit USDG performance matrix with the relevant extracts from the SDBIP on proposed targets, outputs and outcomes in the application of the USDG in the municipality</li> <li>• Ensure compliance with required intergovernmental forums reporting and accountability framework for human settlements</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities must submit a comprehensive USDG performance matrix as included in the Built Environment Performance Plan (BEPP) which shall include indicators and targets aligned to the IDP and SDBIP and a draft and/or approved municipal budget</li> <li>• Municipalities must submit their first draft of the USDG performance matrix to the TNO by 14 March 2015 and the final USDG performance matrix should be submitted by 15 May 2015</li> </ul>

## NATIONAL TREASURY GRANTS

<b>Local Government Financial Management Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 10)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To secure sound and sustainable management of the fiscal and financial affairs of municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA)</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved capacity in financial management of municipalities</li> <li>Improved and sustained skills development including the appointment of at least five interns per municipality supporting the implementation of financial management reforms focusing on the gaps identified in Financial Management Grant (FMG) support plans</li> <li>Appropriately skilled financial officers appointed in municipalities consistent with the competency regulations</li> <li>Improvement in budget practices consistent with the budget reforms</li> <li>Improvement in management of revenue and expenditure, assets and liabilities</li> <li>Improvement in supply chain management practices</li> <li>Timely submission of financial statements and improved audit outcomes</li> <li>Improvement in municipal financial governance and oversight</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of municipal officials registered for financial management training</li> <li>Number of interns serving on the internship program per municipality</li> <li>Submission of the FMG support plans</li> <li>Preparation and implementation of multi-year budgets</li> <li>Improved submission of financial management reports</li> <li>Number of municipalities that reviewed or adopted a System of Delegations</li> <li>Improvement in supply chain management practices</li> <li>Number of internal audit units and audit committees established</li> <li>Preparation and implementation of financial recovery plans, where appropriate</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> <li>Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the FMG support plan which identifies weaknesses in financial management, to be addressed through the grant allocation</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Establishment of a Budget and Treasury Office (BTO) with positions filled by appropriately qualified personnel</li> <li>Establishment of Supply Chain Management, Internal Audit unit and Audit Committees</li> <li>Appointment of at least five interns over a multi-year period</li> <li>Ongoing review, revision and submission of FMG support plans to National Treasury that addresses weaknesses in financial management</li> <li>Acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, Service Delivery and Budget Implementation Plans, Annual Financial Statements, annual reports and automated financial management practices</li> <li>Review and adoption of a System of Delegations</li> <li>Support the training of municipal officials in financial management towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007</li> <li>Preparation and timely submission of annual financial statements for audits</li> <li>Implement corrective actions to address audit findings</li> <li>Technical support in financial management to municipalities must include the transfer of skills to municipal officials</li> <li>The preparation of a financial recovery plan and the implementation thereof, where appropriate</li> <li>Funds must be used to assist in support and implementation of the financial management reforms</li> <li>Timely submission of the FMG support plan consistent with the conditions of the grant</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Priority allocations granted to municipalities with a low revenue base and weaker capacity to enable them to sustain the financial management reforms</li> <li>Regular, timely submission of reports with completed information and maintenance of expenditure at appropriate levels</li> <li>All municipalities benefit from allocations to augment own resources in support of implementation of the financial management reforms</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>To provide direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA and its regulations</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Allocated and transferred R402.7 million to 278 municipalities of which R387.3 million (96 per cent) was spent by the end of the municipal financial year</li> </ul>

<b>Local Government Financial Management Grant</b>	
	<p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• All 278 municipalities have submitted FMG support plans</li> <li>• 1 850 graduate finance interns have been serving on the internship program in municipalities with the objective of increasing financial management capacity in municipalities</li> </ul> <p><b>Additional support provided by the national department:</b></p> <ul style="list-style-type: none"> <li>• Facilitation of regionally based training opportunities for municipalities through updated listing of Local Government Sector Education and Training Authority (LGSETA) accredited training providers.</li> <li>• Internship workshops to improve the programme and sustain the reforms, have been concluded in all nine provinces on the following dates: <ul style="list-style-type: none"> <li>○ North West: 26 July 2012</li> <li>○ Eastern Cape: 01, 02 and 03 August 2012</li> <li>○ Mpumalanga: 06 September 2012</li> <li>○ Northern Cape: 06 and 07 September 2012</li> <li>○ Western Cape: 26 September 2012</li> <li>○ Gauteng: 15 March 2013</li> <li>○ Free State: 27 March 2013</li> <li>○ Limpopo: 11 June 2013</li> <li>○ KwaZulu-Natal: 20 June 2013</li> </ul> </li> </ul> <p><b>The grant supported the following outputs:</b></p> <ul style="list-style-type: none"> <li>• A total of 3 600 municipal officials are registered on the Municipal Finance Management Programme (MFMP)</li> <li>• 263 municipalities submitted Annual Financial Statements for the 2012/13 financial year by 31 August 2013</li> <li>• 277 municipalities adopted their 2012/13 budgets within the prescribed period</li> <li>• 267 municipalities prepared their 2012/13 budgets in house</li> <li>• All 278 municipalities submitted the verified quarter 3 and quarter 4 Section 71 reports</li> <li>• 260 municipalities have established websites and published reports</li> <li>• The following SCM committees were established in municipalities: <ul style="list-style-type: none"> <li>○ bid specification committees - 248 municipalities</li> <li>○ bid evaluation committees - 253 municipalities</li> <li>○ bid adjudication committees - 254 municipalities</li> </ul> </li> <li>• The establishment of: <ul style="list-style-type: none"> <li>○ audit committees at 267 municipalities</li> <li>○ internal audit units at 264 municipalities</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing with periodic reviews as the financial reforms are still in progress</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R449 million, 2015/16: R470 million and 2016/17: R495 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Management, monitoring and reporting on the programme</li> <li>• Transfer funds to municipalities in terms of the 2014 Division of Revenue Act</li> <li>• Undertake ongoing monitoring in municipalities</li> </ul>
	<p><b>Responsibilities of the municipalities</b></p> <ul style="list-style-type: none"> <li>• Submit support plans consistent with conditions of the grant</li> <li>• Submit reports consistent with the reporting requirements in the 2014 Division of Revenue Act</li> </ul>
<b>Process for approval of 2015/16 MTEF allocations</b>	<ul style="list-style-type: none"> <li>• Ongoing review, revision and submission of the FMG support plans to address weaknesses in financial management</li> <li>• The programme is based on the FMG support plans submitted by municipalities before the start of the municipal financial year</li> </ul>



<b>Integrated City Development Grant</b>	
<b>Transferring Department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 10)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The development of more inclusive, liveable, productive and sustainable urban built environments in metropolitan municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved spatial targeting and sequencing of public investments in the urban built environment to achieve a more compact, inclusive, productive and sustainable urban spatial form</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Infrastructure within the functional mandates of municipalities, including public transport, roads, water, energy, housing, land acquisition and development and other assets</li> <li>Municipalities have the authority to select preferred investments within their functional mandates, with a preference for investment in identified integration zones</li> <li>Specific outputs will include the number of strategic/catalytic projects within sub-metropolitan spatial integration zones implemented by municipalities</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 8: Sustainable human settlements and improved quality of household life</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Eligibility is restricted to metropolitan municipalities who must have: <ul style="list-style-type: none"> <li>obtained a financially unqualified audit opinion from the Auditor General (AG) for the 2012/13 financial year, or finalised an audit action plan by 28 February 2014</li> <li>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 2012/13 financial year)</li> </ul> </li> <li>Grant funds can be spent on any capital expenditures within the functional mandate of the municipality that are related to the performance of identified integration zones</li> <li>The grant will only be released to a municipality that has submitted: (i) a Built Environment Performance Plan (BEPP) in the prescribed format by 31 May 2014 including Council approval of integration zones in accordance with guidelines on Urban Networks, BEPPs and the Integrated City Development Grant (ICDG); and (ii) a signed Cities Support Programme (CSP) participation agreement by 1 July 2014</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations will be made to eligible metropolitan municipalities on a population-weighted basis in order to account for the relatively greater planning complexity and investment needs in larger metropolitan municipalities. Final allocations are adjusted by weighted performance against specified indicators as below: <ul style="list-style-type: none"> <li>no decrease in total debt to revenue ratio in 2012/13 (20 per cent)</li> <li>no Section 57 vacancies for longer than 6 months in 2013 (20 per cent)</li> <li>financially unqualified audit opinion by AG (with or without findings) for the last financial year (30 per cent)</li> <li>decrease in total value of irregular, fruitless and wasteful expenditure identified by AG (20 per cent)</li> <li>timely submission of 2014 BEPP and performance indicators (10 per cent)</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The ICDG provides a specific financial incentive for metropolitan municipalities to enhance the performance of their urban built environments. It reflects commitments contained in the National Development Plan to streamline funding for urban public investments to support the restructuring of the urban built environment</li> </ul>
<b>Past performance</b>	<ul style="list-style-type: none"> <li>New grant introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R255 million, 2015/16: R266 million, and 2016/17: R293 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>

<b>Integrated City Development Grant</b>	
<b>Responsibilities of transferring national officer and receiving officer</b>	<b>Responsibilities of National Department</b> <ul style="list-style-type: none"> <li>• National Treasury will review eligibility criteria and assess compliance with grant conditions prior to the transfer of each grant instalment</li> <li>• National Treasury in consultation with Department of Cooperative Governance and Department of Rural Development and Land Reform will facilitate engagements on the BEPPs with the metropolitan municipalities and other sector departments</li> <li>• National Treasury will provide operational guidelines, facilitate peer learning and provide capacity support through the CSP</li> <li>• National Treasury will review the credibility and measurability of Financial Management Improvement Strategies</li> </ul>
	<b>Responsibilities of Municipalities</b> <ul style="list-style-type: none"> <li>• Municipalities will submit BEPPs and in-year reports</li> <li>• Municipalities will ensure consistent planning in integration zones, including alignment of Integrated Development Programmes, Social Housing Restructuring Zones and Urban Development Zones</li> <li>• Strengthen and align their own capacity to support BEPP implementation</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Eligible municipalities must submit a proposal for a BEPP by 3 November 2014 in accordance with requirements outlined in the grant guidelines</li> </ul>

<b>Infrastructure Skills Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 10)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Develop capacity within municipalities by creating a long term and sustainable pool of young professionals with built environment related technical skills (engineering, town planning, architecture, quantity surveying, Geographic Information System (GIS) and project/operations management skills); and improve infrastructure management</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To recruit unemployed graduates in municipalities to be trained as per the requirements of the relevant Statutory Council/professional body within the built environment</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Developed technical capacity within local government to enhance infrastructure related performance</li> <li>Trained graduates with built environment qualifications (diplomas and degrees) in line with Statutory Council/professional body requirements</li> <li>Increased number of qualified and professionally registered technical experts appointed in municipalities</li> <li>Increased infrastructure performance in rural/low capacity municipalities</li> <li>Decreased infrastructure backlogs</li> <li>Improved reporting on infrastructure indicators by municipalities in their Service Delivery and Budget Implementation Plans (SDBIPs), Spatial Development Frameworks (SDFs) and Integrated Development Plans (IDPs)</li> <li>Improved performance on infrastructure grants</li> <li>Accelerated implementation of infrastructure projects</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of graduates with built environment related diplomas and degrees recruited in municipalities</li> <li>Number of built environment graduates registered and trained as per requirements of the relevant Statutory Council/ professional body in municipalities</li> <li>Number of registered senior experts mentoring graduates during period of training</li> <li>Number of graduates recognised as professional experts by the relevant Statutory Council/ professional body</li> <li>Number of graduates absorbed in municipalities as technical experts in the built environment</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 5: A skilled and capable workforce to support an inclusive growth path</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Candidates must have a diploma or degree in the built environment from an accredited academic institution</li> <li>Upon intake and within 12 weeks, municipalities must submit proof of registration of graduates with the relevant Statutory Council/professional body as candidates and provide training as per the road to registration requirements of the relevant Statutory Council/professional body</li> <li>Municipalities must submit proof of graduate registration to National Treasury</li> <li>Mentoring must be provided by registered professionals in the same field as the graduates-in training</li> <li>Infrastructure Skills Development Grant (ISDG) funding to be utilised exclusively for costs associated with the training/road to registration process for graduates (outlined in the ISDG Guideline)</li> <li>Municipalities to include an absorption strategy for the graduates within its municipality or any other municipality</li> <li>A project administrator per municipality may be appointed for the sole purpose of ISDG administration</li> <li>Graduates to be placed in units to support the implementation of infrastructure related projects and accelerated service/ infrastructure delivery</li> <li>The municipality to provide and update the list of business tools and assets purchased with ISDG funds quarterly</li> <li>Municipalities to timely submit monthly and quarterly reports</li> <li>Non-compliance to the above conditions can result in the funds being withheld or re-allocated</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on business plans submitted and demonstrated ability of municipalities to train graduates for the period as stipulated by Statutory Councils/professional bodies</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Conditional grant meant to specifically develop technical skills in municipalities</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R75.4 million was allocated and transferred to municipalities, R58.3 million (77.2 per cent of allocation) was reported as spent by the end of the municipal financial year</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>The grant has created employment and training opportunities to for 355 graduates</li> <li>The following municipalities received the grant: Buffalo City (21 graduates), Nelson Mandela Bay (31 graduates), eThekweni (66 graduates), Ditsobotla (23 graduates), Westonaria (12 graduates), Polokwane (16 graduates), Emfuleni (120 graduates), Lukhanji (8 graduates), Alfred Nzo (still to recruit graduates), Umhlathuze (still to recruit graduates), Ugu (25 graduates), Sol Plaatjie (20 graduates), John Taolo Gaetsewe (still to recruit graduates), King Sabata Dalindyebo (still to recruit graduates) and George (13 graduates)</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant is expected to continue over the Medium Term Expenditure Framework and will be subject to review</li> </ul>

<b>Infrastructure Skills Development Grant</b>	
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R104 million, 2015/16: R129 million and 2016/17: R139 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>• Roll-out the programme in municipalities in compliance with the ISDG Guidelines</li> <li>• Ensure training is aligned to Statutory Council/professional body requirements</li> <li>• Monitor progress of the programme as per the ISDG Guideline</li> <li>• Monitor the registration of graduates with the relevant Statutory Councils/bodies by the municipalities</li> <li>• Monitor financial and non-financial performance of the grant</li> <li>• Maintain the database of graduates</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of municipalities or public entities</b></p> <ul style="list-style-type: none"> <li>• Recruit unemployed graduates within the built environment and register them with relevant Statutory Council/professional bodies (12 weeks after recruitment)</li> <li>• Expose graduates to the required road to registration training</li> <li>• Recruit mentors in the same identified technical area as the graduates</li> <li>• Manage the programme and provide progress reports on a monthly and quarterly basis in the prescribed format</li> <li>• Utilise the ISDG funds for the road to registration programme and training of graduates within a municipality/water board</li> <li>• Update and submit the ISDG database of graduates as required by the transferring officer</li> <li>• Update and submit the ISDG expenditure list for business tools and assets to National Treasury on a quarterly basis (as an addendum to the quarterly reports)</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Interested municipalities to submit business plans by 28 August 2014 to be evaluated by National Treasury</li> <li>• Participating municipalities to submit revised/updated business plans to the National Treasury by the date prescribed</li> </ul>

<b>Neighbourhood Development Partnership Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 10)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Eradicating spatial inequality towards the creation of liveable, sustainable, resilient, efficient and integrated towns and cities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To support and facilitate the development of urban network plans that consist of primary and secondary networks that interconnect at strategic nodes, which in townships are referred to as urban hubs. Urban network plans, precinct plans and then all projects aim to guide the delivery of catalytic infrastructure to leverage third party public and private sector development in the urban hubs. The aim of targeting investment in these strategic locations, as identified by urban network plans, is to improve the quality of life and access of residents in under-served neighbourhoods, generally within townships</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Spatially transformed and integrated cities and towns</li> <li>Diversity of public and private capital investments leveraged into targeted strategic locations</li> <li>Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third party capital investment into strategic locations</li> <li>Improved municipal capacity for strategic and sustainable township development</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Long term urban spatial network plans and precinct plans for cities and towns</li> <li>Catalytic projects in strategic locations and specifically in urban hubs and secondary linkages in urban municipalities</li> <li>Leveraged third party capital investment in strategic locations (urban hubs, secondary linkages and in secondary nodes)</li> <li>Strengthened municipal strategic spatial planning, urban design and project implementation capacity through the production and dissemination of toolkits, guidance and good practice notes and through workshops and related knowledge sharing events</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 4: Decent employment through inclusive economic growth</li> <li>Outcome 8: Sustainable human settlements and improved quality of household life</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The NDPG has segmented its total portfolio of supported municipalities into urban and rural portfolios. All municipalities have been directly notified of their portfolio status, and the list of segmented urban and rural municipalities is reflected on the Neighbourhood Development Partnerships' (NDPs) page on the National Treasury website</li> <li><b>Conditions applicable to the portfolio of urban municipalities:</b> <ul style="list-style-type: none"> <li>Compliance with the aims and objectives of the Urban Network Strategy and the NDPG terms as outlined in a memorandum of agreement signed between the municipality and the national department</li> <li>Urban network plans and precinct plans are reflected in municipal Spatial Development Frameworks (SDFs) and Integrated Development Plans (IDPs)</li> <li>Catalytic projects are reflected in municipal capital investment frameworks (as a chapter in the municipal SDF) and in municipal annual Built Environment Performance Plans (BEPs) which are only applicable to metropolitan municipalities</li> <li>Acceptance by the Transferring National Officer (TNO) of urban network plan, precinct plans and approval of project plans</li> <li>Receiving officer must submit a cash flow schedule with budgets and timeframes for technical assistance and capital grant implementation as requested by the TNO</li> <li>Municipal strategy to attract and leverage third party capital investment into strategic locations developed. Approach and progress of municipal stakeholder identification, engagement and partnership development submitted</li> <li>Submit evidence of funding leveraged into the targeted locations</li> <li>Prioritisation of projects and associated instruments that align and demonstrate an explicit response to government-wide priorities, including the spatial principles as outlined in chapter 8 of the National Development Plan: Vision for 2030</li> </ul> </li> <li><b>Conditions applicable to the portfolio of rural municipalities</b> <ul style="list-style-type: none"> <li>Compliance with terms of funding agreement signed between the municipality and the national department</li> <li>Approval by TNO of business plans and project plans which are aligned with NDPG objectives and guides</li> <li>Business plans and project plans are aligned to municipal IDPs and the council resolution supporting the ward and/or programme to be implemented</li> <li>Receiving officer must submit a cash flow schedule with budgets and timeframes for technical assistance and capital grant implementation as requested by the TNO</li> <li>Submit evidence of funding leveraged into the targeted locations</li> </ul> </li> </ul>

<b>Neighbourhood Development Partnership Grant</b>	
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Schedule 5B: Capital grant allocations are determined on the number and value of project plans in strategic locations and specifically in urban hubs and secondary linkages in urban municipalities</li> <li>• Schedule 6B: Technical assistance allocations are for municipalities to prepare urban network plans, precinct plans, project concept plans and for a professional programme management function</li> <li>• There will be no new municipal awards as the NDPG application process has been closed</li> <li>• <b>Allocation criteria applicable to the portfolio of urban municipalities</b> <ul style="list-style-type: none"> <li>○ Allocations will only focus on municipalities that align with the NDPG's urban networks strategy criteria (including population densities, nature and diversity of economic activity, concentrations of poverty and demand for access and connectivity networks i.e. transport)</li> </ul> </li> <li>• <b>Allocation criteria applicable to the portfolio of rural municipalities</b> <ul style="list-style-type: none"> <li>○ Allocations are for those municipalities with approved NDP business plans and/or project plans (currently in implementation or still awaiting implementation) and with an amount remaining from their original NDPG allocation</li> </ul> </li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This grant has a strong focus on nodal and linkage development as well as the catalytic role of public and private funding for spatially targeted development that is not the focus of the equitable share</li> <li>• To facilitate township development in strategic municipal locations and specifically in urban hubs and secondary linkages in urban municipalities</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R578.1 million allocated and transferred in Schedule 5B direct transfers to municipalities, with R531.6 million reported as spent by municipalities</li> <li>• R80 million allocated in Schedule 6B indirect transfers to municipalities, R38 million (47.5 per cent) spent by the end of the national financial year</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 60 municipalities granted award status, 40 of which are in receipt of technical assistance funding for programme planning and preparation (Schedule 6B grant), and 36 have embarked on construction or implementation (Schedule 6B grant) to date</li> <li>• 222 townships directly targeted by NDPG investment</li> <li>• 18 municipalities meeting township regeneration strategy requirements</li> <li>• 51 business plans approved for NDPG programme implementation</li> <li>• 118 projects under construction</li> <li>• 129 projects in completion (exit and review) stage</li> <li>• 7 programmes with identified partnerships and funding leveraged</li> <li>• One learning/training event delivered to township development stakeholders through the training for township renewal initiative</li> <li>• Formulation of a new model for the training for townships renewal initiative</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The projected life of the programme is being reviewed subject to the approval of the Neighbourhood Development Partnership's revised business plan</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• <b>Direct transfers (Schedule 5B)</b> 2014/15: R591 million, 2015/16: R600 million, and 2016/17: R632 million</li> <li>• <b>Allocation-in-kind (Schedule 6B)</b> 2014/15: R58 million, 2015/16: R55 million, and 2016/17: R52 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Appropriate allocations for the grant and reporting in terms of the 2014 Division of Revenue Act (DoRA)</li> <li>• Determine the grant allocations for future Medium Term Expenditure Framework periods</li> <li>• Perform the obligations as set out in the Memorandum of Agreement (for urban municipalities) and Funding Agreement (for rural municipalities), which include: <ul style="list-style-type: none"> <li>○ Evaluating municipal performance</li> <li>○ Monitor, manage and evaluate financial and non-financial performance</li> <li>○ Oversee and enforce objectives and conditions of this grant</li> </ul> </li> </ul> <p><b>Responsibilities applicable to the portfolio of urban municipalities:</b></p> <ul style="list-style-type: none"> <li>• Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the DoRA</li> <li>• Submit cash flow schedules with budgets and timeframes for technical assistance and / or capital grant implementation as requested by the TNO</li> <li>• Assign adequate human resources capacity for the successful coordination and implementation of NDPG</li> <li>• Coordinate the formulation of urban network plans, precinct plans and a pipeline of planned projects for the strategic locations and specifically in urban hubs and secondary linkages in urban municipalities, aligned with the grant objectives against agreed performance criteria</li> <li>• Establish additional clear indicators for outputs and outcomes intended by the municipality against which performance may be further assessed</li> <li>• Manage and monitor technical assistance and/or capital grant implementation according to the approved</li> </ul>

<b>Neighbourhood Development Partnership Grant</b>	
	<p>urban network plans, precinct plans and project plans ensuring sound financial management and value for money</p> <ul style="list-style-type: none"> <li>• Maintain accurate and current grant and performance information as specified in NDPG management information formats and systems</li> <li>• Engage stakeholders so as to develop partnerships that leverage funding into the targeted locations</li> <li>• Mainstream both the urban network and the township development agenda in municipal and other relevant growth and development strategies and plans</li> </ul> <p><b>Responsibilities applicable to the portfolio of rural municipalities:</b></p> <ul style="list-style-type: none"> <li>• Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the DoRA</li> <li>• Submit a cash flow schedule with budgets and timeframes for technical assistance and / or capital grant implementation as requested by the TNO</li> <li>• Provide adequate human resources capacity for the successful coordination and implementation of NDPG</li> <li>• Coordinate the development of business plans and project plans for strategic locations and ensure that they are aligned with the grant objectives against which performance will be assessed</li> <li>• Establish additional clear indicators for outputs and outcomes intended by the municipality against which performance may be further assessed</li> <li>• Manage and monitor implementation of projects according to the approved plans and ensuring sound financial management and value for money</li> <li>• Maintain accurate and current grant and performance information as specified in NDPG management information formats and systems</li> <li>• Engage stakeholders so as to develop partnerships that leveraged funding into the targeted locations</li> <li>• Mainstream the township development agenda in municipal and other relevant growth and development strategies and plans</li> </ul>
<b>Process for approval of 2015/16 municipal NDPG plans</b>	<p><b>Process applicable to the portfolio of urban municipalities:</b></p> <ul style="list-style-type: none"> <li>• Submission of municipal NDPG urban network plans, precinct plans and project concept plans. The process is based on: <ul style="list-style-type: none"> <li>○ evidence of a credible planning process to systematically progress from strategic towards local planning</li> <li>○ linking of a municipality's development objectives and strategic planning processes to physical projects on the ground</li> <li>○ the targeting of development within strategically well-located areas to ensure value for money and to optimise impact</li> <li>○ the overall prioritisation of elements within the urban network to ensure network plan optimisation</li> <li>○ the quality of progress reporting and performance reviews and alignment with current municipal planning processes, i.e. SDF, IDP, Service Delivery and Budget Implementation Plan (SDBIP) and BEPP processes</li> </ul> </li> <li>• Submission of municipal NDPG project plans. The process of phasing and funding project plans is based on: <ul style="list-style-type: none"> <li>○ the overall prioritisation of projects within a precinct plan to ensure both precinct level and network level optimisation</li> <li>○ the development of sustainable urban hubs and secondary linkages</li> <li>○ the coordination, targeting and prioritisation with other related capital implementation projects</li> <li>○ the ability to leverage third party funds</li> <li>○ the quality of progress reporting and performance reviews and alignment with current municipal planning processes, i.e. SDF, IDP, SDBIP and BEPP processes</li> </ul> </li> <li>• Municipal provisional allocations will be finalised by the TNO by 31 October 2014</li> </ul> <p><b>Process applicable to the portfolio of rural municipalities:</b></p> <ul style="list-style-type: none"> <li>• The NDPG business and project plans are approved for a multi-year period</li> <li>• The process for approval of these plans and annual allocations against these plans are based on: <ul style="list-style-type: none"> <li>○ the alignment with NDPG criteria for sustainable urban township locations, focusing on leveraged funds and job creation</li> <li>○ the quality of progress reporting and performance reviews and alignment with current municipal planning processes, i.e. SDF, IDP, SDBIP and BEPP processes</li> </ul> </li> <li>• Municipal provisional allocations will be finalised by the TNO by 31 October 2014</li> </ul>

## PUBLIC WORKS GRANT

<b>Expanded Public Works Programme Integrated Grant for Municipalities</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Public Works (Vote 7)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP Guidelines:               <ul style="list-style-type: none"> <li>○ road maintenance and the maintenance of buildings</li> <li>○ low traffic volume roads and rural roads</li> <li>○ basic services infrastructure, including water and sewer reticulation, sanitation, pipelines (excluding bulk infrastructure)</li> <li>○ other economic and social infrastructure</li> <li>○ tourism and cultural industries</li> <li>○ waste management</li> <li>○ parks and beautification</li> <li>○ sustainable land-based livelihoods</li> <li>○ social services programmes</li> <li>○ health service programmes</li> <li>○ community safety programmes</li> </ul> </li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• 54 534 Full Time Equivalents (FTEs) to be created through the grant</li> <li>• Reduced levels of poverty through employment of beneficiaries in paid and productive activities</li> <li>• Contribute towards increased levels of employment</li> <li>• Improved opportunities for sustainable work through experience and learning gained</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Increased number of people employed and receiving income through the EPWP</li> <li>• Increased average duration of the work opportunities created</li> <li>• Increased income per EPWP beneficiary</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 4: Decent employment through inclusive economic growth</li> <li>• Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plans</b>	<ul style="list-style-type: none"> <li>• The programme is implemented through municipalities using Incentive Agreements, that include project lists, and details of plans for creation of FTEs and work opportunities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• EPWP projects must comply with the project selection criteria determined in the EPWP Grant Manual; the EPWP guidelines set by Department of Public Works (DPW) and the Ministerial Determination updated annually on 1 November each year</li> <li>• Eligible municipalities must sign a funding agreement with the DPW before the first grant disbursement, with their final EPWP project list attached</li> <li>• Municipalities must report quarterly on all EPWP projects via DPW's EPWP reporting system</li> <li>• Reports must be loaded on the EPWP reporting system within 22 days after the end of every quarter in order for progress to be assessed</li> <li>• Municipalities must maintain beneficiary and payroll records as specified in the audit requirements in the EPWP grant manual</li> <li>• The EPWP grant cannot be used to fund the costs of permanent municipal personnel; however, a maximum of 5 per cent of the grant can be used to fund contract based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods</li> <li>• The EPWP grant can only be utilised for EPWP purposes, for the projects approved in each municipality's EPWP project list</li> <li>• To receive the first planned grant disbursement, eligible municipalities must submit a signed Incentive Agreement with a project list by 6 June 2014</li> <li>• Subsequent grant disbursements are conditional upon eligible municipalities reporting on EPWP performance quarterly within the required timeframes</li> <li>• Municipalities must implement their approved EPWP project list and meet their agreed job creation targets</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• To be eligible for an EPWP grant allocation in the 2014/15 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"> <li>○ past EPWP performance</li> <li>○ the number of full time equivalent jobs created in the prior six quarters</li> <li>○ past performance with regard to labour intensity in the creation of EPWP work opportunities</li> <li>○ the need for EPWP work in a municipal area, indicated by levels of unemployment, poverty and service backlogs</li> </ul> </li> <li>• Allocation criteria include rural bias. These municipalities will also be prioritised in terms of technical support for implementation provided by DPW</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance. The grant is based on performance, the potential to expand and the need for EPWP work in key geographic regions</li> </ul>



<b>Expanded Public Works Programme Integrated Grant for Municipalities</b>	
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The incentive grant had an adjusted allocation of R662.1 million and 246 eligible municipalities earned the incentive grant and the total adjusted allocated amount of R662.1 million (100 per cent) was transferred to these municipalities</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>234 405 work opportunities were reported by 272 municipalities and validated by the EPWP system</li> <li>61 023 FTE jobs were reported by 272 municipalities and validated by the EPWP system</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Grant continues until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R595 million, 2015/16: R619 million and 2016/17: R706 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national Department of Public Works</b></p> <ul style="list-style-type: none"> <li>Determine eligibility and set grant allocations and FTE targets for eligible municipalities</li> <li>Publish on the EPWP website all documents relevant for municipalities to understand and implement the grant, including a grant manual, the relevant EPWP guidelines and the Ministerial Determination</li> <li>Support municipalities, in the manner agreed to in the grant agreement to: <ul style="list-style-type: none"> <li>identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria</li> <li>apply the EPWP project selection criteria and EPWP guidelines to project design</li> <li>report using the EPWP reporting system</li> </ul> </li> <li>Monitor the performance and spending of municipalities according to Incentive Agreement signed</li> <li>Disburse the grant to eligible municipalities</li> <li>Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement</li> <li>Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions</li> <li>Conduct site visits to identify where support is needed</li> </ul> <p><b>Responsibilities of the eligible municipalities</b></p> <ul style="list-style-type: none"> <li>Develop and submit an EPWP project list to DPW by 6 June 2014</li> <li>Sign the standard funding agreement with DPW agreeing to comply with the conditions of the grant before receiving any grant disbursement</li> <li>Agree on the areas requiring technical support from DPW upon signing the grant agreement</li> <li>Ensure that reporting is done within the timelines stipulated in the grant agreement and that information is captured in the EPWP reporting system</li> <li>Municipalities must maintain beneficiary and payroll records as specified in the Audit Requirements in the EPWP grant manual, and make these available to DPW for data quality assessment tests</li> </ul>
<b>Process for approval of 2015/16 MTEF allocations</b>	<ul style="list-style-type: none"> <li>Municipalities must report performance on EPWP projects for the 2014/15 financial year by 22 October 2014 to be eligible for a grant allocation</li> <li>Municipalities must submit a signed Incentive Agreement with a project list by 5 June 2015</li> </ul>

## TRANSPORT GRANTS

<b>Public Transport Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To support the National Land Transport Act (NLTA) and Public Transport Strategy (PTS) and action plan in promoting the provision of accessible, reliable and affordable integrated public transport</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved integrated public transport network infrastructure that supports formal, scheduled and well managed services, which are accessible to an increasing percentage of the population of urban municipalities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Public transport infrastructure including the development, and upgrading of bus lanes, routes, stations, depots, control centres and related information technology, fare systems and vehicle purchases subject to Department of Transport (DoT) approval</li> <li>Non-Motorised Transport (NMT) infrastructure that supports network integration (e.g. sidewalks, cycle ways, cycle storage at stations)</li> <li>Plans related to the above including: <ul style="list-style-type: none"> <li>network operational plans including universal design access plans</li> <li>business and financial plans (including financial modelling, economic evaluation, and operator transition plan)</li> <li>institutional network management plan</li> <li>engineering and architectural preliminary and detailed designs</li> <li>public transport vehicle and technology plans</li> <li>marketing and communication plans</li> </ul> </li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses Integrated (Rapid) Public Transport Network (IRPTN or IPTN) operational and related plans including financial modelling</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Projects must support an integrated network approach as defined in the PTS and in the NLTA</li> <li>Integrated public transport solutions should incorporate: i) physical integration of public transport infrastructure, including non-motorised transport infrastructure; ii) fare collection infrastructure; iii) unified branding and information; and iv) unified institutional management of network infrastructure</li> <li>Infrastructure projects must be based upon an IRPTN/IPTN operational plan (including detailed financial modelling) approved by the municipal council</li> <li>For each phase, final network routing and related financial modelling will be agreed with DoT before municipalities are to proceed with detailed infrastructure design</li> <li>IRPTN/IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations)</li> <li>Contracted operators should finance and own vehicles unless the use of grant funds is approved by National Treasury and DoT, in which case the municipality must retain ownership</li> <li>New vehicles, purchased for the IRPTN/IPTN must be universally accessible in line with the PTS</li> <li>Existing vehicles may continue to be used and their use phased out in-line with the vehicle's life span. Where vehicles are inaccessible, the public's right to expect equality of service provision must be met, within a reasonable time period</li> <li>Municipalities are required to establish specialist capacity to manage infrastructure and to plan future expansions of the network</li> <li>Payments will be conditional on the attainment of milestones specified in the grant allocation letter to each municipality</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Budget requests will be evaluated in accordance with the outputs of the above business plan which specifies the infrastructure costs of serving a defined number of passenger trips per average weekday, to standards specified in government policy</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Public transport investment has been prioritised by national government through the approval by cabinet of the PTS in 2007</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>The grant was allocated R4 988 million, R4 884 million was transferred to municipalities with expenditure reported at R2 139 million (43.7 per cent) of the transferred amount</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li><b>Johannesburg and Cape Town:</b> These municipalities have continued with Phase 1 planning, infrastructure design and construction and service implementation in 2012/13. At the same time both municipalities have continued with operating and extending Phase 1A bus operations</li> <li><b>Johannesburg:</b> The full Phase 1A system was in operation and comprised of the following: <ul style="list-style-type: none"> <li>41 articulated buses and 102 standard buses in operation</li> <li>25.5 kilometres (km) of dedicated routes</li> </ul> </li> </ul>

<b>Public Transport Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>○ 75.8 km of feeders and complementary routes</li> <li>○ 30 stations in operation</li> <li>○ 35 453 average weekday passenger trips of</li> <li>○ phase 1B construction of trunk route and stations was almost completed</li> <li>● <b>Cape Town:</b> As at 30 June 2013 the following progress was made in Cape Town: <ul style="list-style-type: none"> <li>○ average number of weekday passenger trips (journeys) carried on the integrated system was 13 775</li> <li>○ 17.1 km of dedicated bi-directional median bus way lanes in operation within the integrated system for trunk and/or complementary services</li> <li>○ 20.5 km of bi-directional trunk or complementary services operating in mixed traffic lanes</li> <li>○ 51 km of bi-directional feeder services operating in mixed traffic lanes</li> <li>○ 17 trunk stations in use in network</li> <li>○ 137 feeder stops in use in network</li> </ul> </li> <li>● <b>eThekweni:</b> Activities completed to date in line with the draft business plan are as follows: <ul style="list-style-type: none"> <li>○ integrated fare management system (Muvo Card)</li> <li>○ wall-to-wall IRPTN</li> <li>○ preliminary design for Phase 1</li> <li>○ universal access plan</li> <li>○ rebranding, marketing and change management for Integrated Fare Management System</li> <li>○ high level operational plan</li> <li>○ ITS and IFMS status quo document</li> <li>○ ITS and IFMS strategy document</li> </ul> </li> <li>● <b>Ekurhuleni:</b> has completed its operational, marketing and communications, and business and financial plans, and completed the following planning activities: <ul style="list-style-type: none"> <li>○ a new household survey was used to update the demand model and financial plan</li> <li>○ a benchmarking study tour was completed</li> <li>○ the structures of the Management Entity and the Performance Management System have both been designed</li> <li>○ an industry transition structure has been planned and a universal access service provider has been appointed</li> <li>○ preliminary and detailed design consultants have been appointed</li> </ul> </li> <li>● <b>Msunduzi:</b> The planning of the full IRPTN and preliminary design of phase 1 commenced in August 2011 and was to be complete in September 2013, as well as the following: <ul style="list-style-type: none"> <li>○ the project commenced with the detailed planning and preliminary design in August 2011</li> <li>○ the original date for completion of the detailed planning and preliminary design was April 2013</li> <li>○ the revised date for completion of the detailed planning and preliminary design was September 2013 (revised due to delays in the Household Travel Surveys)</li> <li>○ the municipality awarded a contract to carry out the detailed planning of the full IRPTN and the preliminary design of the phase 1 corridor, taking into consideration the strategic planning proposals for the IPTN documented in our CIP</li> </ul> </li> <li>● <b>Mbombela:</b> <ul style="list-style-type: none"> <li>○ during 2012/13, the municipality has undertaken the following infrastructure projects: i) the northern, central and southern sections of the R40, ii) testing and evaluation of Central Business District (CBD) intersection/priority lanes in respect of public transport priority, iii) completed detailed designs for the construction of Rocky's Drift public transport rank and land purchase for the Nelspruit public transport rank</li> </ul> </li> <li>● <b>Nelson Mandela Bay</b> <ul style="list-style-type: none"> <li>○ 7 Bus Rapid Transport pilot routes have been completed</li> <li>○ 5 routes in Port Elizabeth, operating from the city centre: <ul style="list-style-type: none"> <li>– route 300: Port Elizabeth city centre – Korsten (8 km)</li> <li>– route 301: Port Elizabeth city centre – Coega (26 km)</li> <li>– route 302: Port Elizabeth city centre – Nelson Mandela Metropolitan University (15 km)</li> <li>– route 303: Port Elizabeth city centre – Airport (9 km)</li> <li>– route 304: Port Elizabeth city centre – Greenacres (8 km)</li> </ul> </li> <li>○ 2 routes operating in Uitenhage and Despatch: <ul style="list-style-type: none"> <li>– route 305: Uitenhage terminus – Despatch (9 km)</li> <li>– route 306: Uitenhage terminus – KwaNobuhle (13 km)</li> </ul> </li> </ul> <p style="margin-left: 40px;">Total: 88 km</p> </li> <li>● <b>Polokwane:</b> – the technical operational plan is complete, including the following: <ul style="list-style-type: none"> <li>○ phase 1 and 2 detailed plan</li> <li>○ phase 3 and 4 concept plan</li> <li>○ The business and financial plans are complete, including: <ul style="list-style-type: none"> <li>– detailed full financial model</li> <li>– costs and revenues over 12 years</li> <li>– business structures and contractual arrangements</li> <li>– organizational, capacity and governance requirements</li> </ul> </li> </ul> </li> </ul>

<b>Public Transport Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>– the transport directorate is established</li> <li>– industry transition and engagement is on-going with a Memorandum of Understanding (MoU) signed between the municipality and taxi associations</li> <li>• <b>Rustenburg:</b> has completed all its planning (operational, business/finance plans, and preliminary design). During 2012/13 the following were achieved: <ul style="list-style-type: none"> <li>○ 5.3 km of bi-directional bus ways and dual carriageway built, substructures (foundations) for 6 stations completed for the construction of the North West corridor</li> <li>○ the appointment of contractors for the construction of the North East corridor</li> <li>○ the detailed design and tender documentation of the CBD trunk routes completed</li> <li>○ detailed design and tender documentation for several stations, a Transport Management Centre and depots was completed</li> <li>○ land acquisition for Boitekong and Tlhabane depots and CBD holding area</li> </ul> </li> <li>• <b>Tshwane:</b> <ul style="list-style-type: none"> <li>○ the Tshwane Rapid Transport Operational Plan and financial model for phase 1 of the City of Tshwane Bus Rapid Transit System were formally approved by the Mayoral Committee on 6 March 2013</li> <li>○ MoUs were signed with the bus and taxi industry as well as Memorandum of Agreement concluded with the taxi leadership</li> <li>○ completion of the prototype station in Hatfield</li> <li>○ naming of the services, logo and slogan were concluded</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R4 968 million, 2015/16: R5 098 million, and 2016/17: R5 104 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with an agreed payment schedule, approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<b>Responsibilities of national department</b> <ul style="list-style-type: none"> <li>• Disburse PTIG funds and monitor PTIG expenditure</li> <li>• Monitor IRPTN/IPTN implementation progress in line with the NLTA and the PTS</li> <li>• Verify reports from municipalities by conducting at least one site visit per annum</li> <li>• Allocate funds based on stated priorities through an allocation mechanism agreed to by DoT and National Treasury</li> <li>• Evaluate the performance of the grant annually</li> </ul>
	<b>Responsibilities of municipalities</b> <ul style="list-style-type: none"> <li>• Ensure that projects are implemented in line with what is reflected in the Integrated Development Plan of the municipality</li> <li>• Ensure that reporting is done correctly on the management of this grant and all relevant Division of Revenue Act requirements are adhered to including compliance to specified reporting requirements prescribed by the Transferring National Officer</li> <li>• Provide budget proposals for the PTIG funding that are based on sound operational plans</li> <li>• Establish a dedicated project team to plan, manage and maintain network infrastructure</li> <li>• Compile and submit data that indicates the efficiency and effectiveness of planned and actual infrastructure investment including: <ul style="list-style-type: none"> <li>○ change, relative to the previous year, in the number and percentage of households within 500 metres of formal public transport access points</li> <li>○ planned/actual capital expenditure for the relevant financial year</li> <li>○ total capital expenditure per passenger km for PTIG funded systems as at 30 June 2013</li> <li>○ the actual total and unit costs (per km, per station etc.) of procuring infrastructure inputs (e.g. roadway, stations, depots, etc)</li> </ul> </li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities will be requested to submit budget proposals that are based on sound IRPTN/IPTN operational plans by 15 July 2014</li> <li>• These requests will be evaluated by the DoT and National Treasury</li> <li>• Municipal provisional allocations will be finalised by 26 November 2014</li> </ul>

<b>Public Transport Network Operations Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To support the National Land Transport Act (No. 5 of 2009) (NLTA) and Public Transport Strategy (PTS) and action plan in promoting the provision of accessible, reliable and affordable integrated public transport services</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide operational funding to support the planning, regulation, control and management of municipal public transport networks and services</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved integrated public transport network services that are formal, scheduled and well managed and which are accessible to an increasing percentage of the population of urban municipalities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of average weekday passenger trips carried on Public Transport Network Operations Grant (PTNOG) funded systems</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plans</b>	<ul style="list-style-type: none"> <li>This grant uses Integrated (Rapid) Public Transport Network (IRPTN or IPTN) operational and related plans including financial modelling</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Projects must support an integrated network approach as defined in the PTS and in the NLTA</li> <li>Integrated public transport solutions should incorporate: i) integration between different public transport services; ii) fare integration between different services; iii) marketing integration with unified branding; and, iv) institutional integration between the services</li> <li>Projects must be based upon an IRPTN/IPTN operational plan (including detailed financial modelling and universal design access plans) approved by the municipal council</li> <li>The grant can be used to fund the costs of maintenance of fixed public transport assets, security, station management, ticketing services, control centre operations, information and marketing, network management, insurance, interest payments for bus vehicles financed from the Public Transport Infrastructure Grant (PTIG) and compensation for the economic rights of existing operators</li> <li>From the start of operations, IRPTN/IPTN systems must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any Public Transport Operations Grant contributions. These direct operational costs consist of fuel, labour, operator administration and vehicle maintenance</li> <li>If PTNOG funds are to be used to cover the costs of existing economic rights of affected operators, verified data on operator revenue must be provided to the Department of Transport (DoT) prior to entering into agreements on economic rights</li> <li>Municipalities are required to establish specialist capacity to manage and monitor public transport system contracts and operations supported by this grant</li> <li>Payments will be conditional on the attainment of milestones specified in the grant allocation letter to each municipality</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Budget requests will be evaluated in accordance with the outputs of the above business plan which specifies operating and systems costs of serving a defined number of passenger trips per average weekday, to standards specified in government policy</li> <li>The grant 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</li> <li>Compensation for the economic rights of existing operators and interest payments for bus vehicles financed from the PTIG can be funded up to 100 per cent in each phase</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Operational costs associated with the implementation of the PTS and NLTA were not included in municipal budgets prior to the introduction of IRPTN services. These include station management and security, contracting and contract monitoring, operator compensation and transformation costs and electronic fare collection</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The PTNOG was introduced in 2013/14</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>The PTNOG was introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R903 million, 2015/16: R1 043 million, and 2016/17: R1 362 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with an agreed payment schedule, approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Disburse PTNOG funds and monitor PTNOG expenditure</li> <li>Monitor IRPTN/IPTN implementation progress in line with the NLTA and the PTS</li> <li>Verify reports from municipalities by conducting at least one site visit per annum</li> <li>Allocate the funds based on stated priorities through an allocation mechanism agreed to by the DoT and National Treasury</li> <li>Evaluate the performance of the grant annually</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Ensure that projects are implemented in line with approved business plans and also reflected in the integrated development plan of the municipality</li> <li>Report on the management of this grant and satisfy all relevant Division of Revenue Act requirements, including compliance to specified reporting requirements prescribed by the transferring national officer</li> </ul>

<b>Public Transport Network Operations Grant</b>	
	<ul style="list-style-type: none"> <li>• Report to the transferring national officer on projected and actual costs of the maintenance of fixed public transport assets, security, station management, ticketing services, control centre operations, information and marketing, network management, insurance, interest payments for bus vehicles financed from the PTIG and compensation for the economic rights of existing operators</li> <li>• Provide budget proposals for the PTNOG funding that are based on sound operational plans</li> <li>• Establish a dedicated project team to establish a specialist capacity to manage and monitor operations and to plan expansions</li> <li>• Compile and submit data that indicates the efficiency and effectiveness of operational services including: <ul style="list-style-type: none"> <li>○ number of weekday passenger trips on PTNOG funded systems</li> <li>○ number of municipal operational staff employed per bus in service</li> <li>○ number of staff employed by each bus operating company per bus in service</li> <li>○ planned/actual operational expenditure per passenger kilometre in the PTNOG funded system</li> </ul> </li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities will be requested to submit budget proposals that are based on sound IRPTN operational plans by 15 July 2014</li> <li>• These requests will be evaluated by the DoT and National Treasury</li> <li>• Municipal provisional allocations will be finalised by 26 November 2014</li> </ul>

<b>Rural Roads Asset Management Systems Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 37)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Ensure efficient and effective investment in rural municipal roads through development of Road Asset Management Systems (RAMS) and collection of data</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To assist rural district municipalities to set up rural RAMS, and collect road and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA)</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved data on municipal rural roads to guide infrastructure maintenance and investments</li> <li>• Reduced vehicle operating costs</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Road inventory data</li> <li>• Condition assessment, traffic data and rural access bridges</li> <li>• Pavement and bridge management systems compatible with national standards</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>• Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</li> <li>• Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses Road Asset Management Business Plans which contain the following details: <ul style="list-style-type: none"> <li>○ network data collection plan</li> <li>○ network condition and traffic volumes</li> <li>○ organisational and support plan</li> <li>○ financial summary</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• For RISFSA Class R1, R2 and R3 roads, data collection requirements are: <ul style="list-style-type: none"> <li>○ visual condition data not older than two years for pavements and five years for bridges</li> <li>○ instrumental pavement data for roughness, rut depth and macro texture not older than two years</li> <li>○ instrumental pavement data for structural strength not older than five years, and</li> <li>○ traffic data not older than three years</li> </ul> </li> <li>• For RISFSA Class R4 and R5 roads, data requirements are: <ul style="list-style-type: none"> <li>○ visual condition data not older than three years for pavements and five years for bridges</li> <li>○ traffic data not older than five years</li> </ul> </li> <li>• The above condition data shall be utilised according to applicable national Committee of Transport Officials (COTO) standards, according to Technical Recommendations for Highways (TRH) and Technical Methods for Highways (TMH) to identify and prioritise the maintenance requirements within the relevant budget limit, to improve condition of the roads and extend the lifespan of road infrastructure</li> <li>• All road condition report and data collected must be submitted to the national Department of Transport (DoT), and the relevant Provincial Roads Authorities</li> <li>• Systems developed to record data must be compatible with DoT specifications (TRH26 and TMH22) for uniformity and standards</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• R500/km rate based on the extent of network and number of local municipalities within a district municipality</li> <li>• 36 district municipalities will benefit from this grant in 2014/15</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This is a specific purpose grant mainly for the provision of systems to collect data on rural roads, traffic and rural access bridges</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R37.2 million was allocated and transferred to municipalities, with R35.4 million (95 per cent) reported as spent by municipalities</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• All progress and up to date road inventory data was collected per district</li> <li>• Condition assessment is on schedule</li> <li>• 118 young graduates have been recruited into the programme</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The grant has a life span up to 2016/17, and will be subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2014/15: R75 million, 2015/16: R98 million, and 2016/17: R103 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>

<b>Rural Roads Asset Management Systems Grant</b>	
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>• Performance evaluation report on the initial 21 Districts Municipalities (DMs) against the objective of the grant by 30 September 2014</li> <li>• Monitoring implementation of RAMS together with provincial road authorities</li> <li>• Data integrity will be checked by DoT and Provincial Road Authorities</li> <li>• Provide guidance on sustainable RAMS operations and standards</li> <li>• Facilitate training to local municipalities and assist them to acquire RAMS data from DMs, provinces or DoT</li> <li>• Check the quality of data captured on municipalities' RAMS in collaboration with Provincial Road Authorities</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Municipalities must make provision to maintain RAMS after the lifespan of the grant</li> <li>• Data for all rural roads to be updated within two years</li> <li>• Employ unemployed youth, S3 experiential training students and young graduates</li> <li>• Ensure human capacity at municipalities for the operation of RAMS is developed</li> <li>• Road quality data on RAMS must be used for planning Municipal Infrastructure Grant (roads) investments as well as road maintenance funded from other sources</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• DMs must submit a road conditions report for every year to DoT by 15 March of that year or the next working day</li> <li>• Road condition reports must contain the following: <ul style="list-style-type: none"> <li>○ the extent of the road network in the municipality</li> <li>○ the condition of the network in the municipality</li> <li>○ the status of the municipality's RAMS</li> <li>○ the proportion of municipal roads with updated data captured on its RAMS</li> </ul> </li> <li>• DoT, together with Provincial Roads Authorities will evaluate the business plans and progress reports by 30 April or the next working day of every year</li> </ul>



## WATER AFFAIRS GRANTS

<b>Regional Bulk Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Water Affairs (Vote 38)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Facilitate achievement of targets for access to clean water through successful execution and implementation of regional bulk infrastructure projects</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To develop new and 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</li> <li>To develop new and refurbish, upgrade and replace ageing waste water infrastructure of regional significance</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Access to water supply enabled through regional bulk infrastructure</li> <li>Proper waste water management and disposal enabled through regional waste water infrastructure</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of regional bulk projects initiated</li> <li>Number of projects completed</li> <li>Number of people or households targeted to benefit from bulk supply</li> <li>Number of people benefitting from projects completed</li> <li>Number of municipalities benefitting</li> <li>Number of job opportunities created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses Implementation Readiness Studies (IRS) and funding agreements which contain the following: <ul style="list-style-type: none"> <li>cash flow and implementation milestones</li> <li>details of key stakeholders and main contractors</li> <li>specific funding conditions related to the project</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The Regional Bulk Infrastructure Grant (RBIG) is intended to fund the social component of regional bulk water and waste water projects approved by the Department of Water Affairs (DWA), unless exemption based on affordability is approved by DWA and National Treasury</li> <li>This grant can be used to build enabling infrastructure required to connect or protect water resources over significant distances with bulk and reticulation systems</li> <li>The need for a bulk infrastructure solution must be confirmed and accepted by DWA through the regional bulk master planning process</li> <li>A financing plan with associated co-funding agreements must be in place prior to implementation of RBIG funded projects</li> <li>All sources of funding for the full cost of the project must be outlined in the Implementation Readiness Study (IRS) and the funding agreement</li> <li>RBIG allocations will be paid based on proof of expenditure and achievement of outcomes by DWA's contracted Implementing Agent (IA)</li> <li>After project completion the asset transfer will be to the owner identified in the IRS</li> <li>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 and Municipal Infrastructure Grant (MIG) projects</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Projects are assessed individually, and allocations are made by DWA on a project basis, taking into account the conditions listed above and considering that no blanket allocation method is used</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Regional bulk projects are closely linked to water resource planning and development, which is a DWA competency</li> <li>Where water boards will own and operate RBIG funded infrastructure, water boards will be funded directly through the Appropriation Act and not the Division of Revenue Act</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>Of an allocation of R2 523 million, R2 421 million (96 per cent) was spent</li> </ul> <p><b>2011/12 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Five projects were completed, benefitting the following local municipalities: <ul style="list-style-type: none"> <li>Intsika Yethu Local Municipality (LM) with 4 395 people benefitting</li> <li>Kopanong LM with 6 600 people benefitting</li> <li>Newcastle LM with 76 003 people benefitting</li> <li>Umsobomvu LM with 17 259 people benefitting</li> <li>Overstrand LM with 40 000 people benefitting</li> </ul> </li> <li>63 Projects were in construction phase, 27 projects in design or tender phase and 33 projects in feasibility stage</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2014/15: R3 987 million, 2015/16: R4 222 million, and 2016/17: R4 624 million</li> </ul>

<b>Regional Bulk Infrastructure Grant</b>	
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments are made after verification of work performed</li> </ul>
<b>Responsibilities of the transferring national officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Ensure every municipality benefiting from a specific project or scheme is invited to participate in the feasibility and IRS</li> <li>• Enter into agreements with WSA regarding the construction, ownership, funding arrangements, and operation and maintenance of proposed infrastructure prior to the commencement of construction</li> <li>• Ensure the necessary authorisations including environmental impact assessment and water use licences are obtained</li> <li>• Monitor the implementation of projects quarterly</li> <li>• Provide detailed information on the selection criteria and conditions for the grant (RBIG Programme Implementation Framework)</li> <li>• Ensure that agreements are in place between Water Services Providers and WSAs</li> </ul> <p><b>Responsibilities of WSAs which schemes will be transferred to</b></p> <ul style="list-style-type: none"> <li>• Submission of monthly, quarterly and annual reports</li> <li>• Ensure that projects are appropriately linked to the municipality's IDP</li> <li>• Ensure that once a project is completed the owner will adhere to an operations and maintenance plan or requirements agreed to as part of the funding agreement and will ensure that the infrastructure is operated and maintained efficiently and effectively</li> <li>• Ensure integration of planning, funding, timing and implementation of bulk and reticulation projects</li> <li>• Ensure that the WSA is able to provide the reticulation services required to provide households with access to the water services provided through the bulk infrastructure funded by this grant</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• All proposed projects which comply with the RBIG criteria must be registered and listed with DWA's provincial bulk master plans</li> <li>• IRS will be evaluated and approved by DWA if the feasibility studies comply with the RBIG implementation framework and criteria</li> <li>• At a regional level, a co-ordination committee comprising of representatives from DWA, National Treasury, Department of Cooperative Governance, and the South African Local Government Association meets to assist with the planning of projects, co-ordination and alignment with the WSAs reticulation needs</li> <li>• At national level, projects are allocated a budget by DWA based on the RBIG Programme Implementation Framework</li> <li>• Based on the outcome of the IRS, DWA will nominate the IA for the construction phase and designate the owner of the infrastructure. National Treasury and benefitting municipalities will be informed of the decisions</li> </ul>

<b>Municipal Water Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Water Affairs (Vote 38)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To assist Water Services Authorities (WSAs) to provide interim and/or intermediate and/or localised water supply services to consumers currently without services, particularly those in rural areas</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a water supply service</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Increased household 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</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of households provided with a water supply service</li> <li>Number of projects completed</li> <li>Investment in the development of new infrastructure and/or refurbishment and/or upgrading and/or extension of existing infrastructure</li> <li>Number of existing rural schemes that are made functional</li> <li>Number of communities/villages benefiting</li> <li>Number of job opportunities created</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all</li> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Details contained in the business plan</b>	<p><b>This grant uses business plans and agreements which contain the following:</b></p> <ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<p><b>Municipal Water Infrastructure Grant direct component (Schedule 5B)</b></p> <ul style="list-style-type: none"> <li>WSAs which are receiving municipalities will be required to conclude a Municipal Water Infrastructure Grant (MWIG) Agreement with the Department of Water Affairs (DWA) prior to implementation of project(s)</li> <li>MWIG funded projects must be included in the Integrated Development Plan (IDP) and Water Services Development Plan (WSDP) of the WSA</li> <li>The WSA must sign-off and submit, and DWA must approve, the technical report and business plans before funds can be transferred</li> <li>Business plans must include a commitment from the WSA to budget for and fund sustainable operations of the project</li> <li>Where necessary DWA, in consultation with the WSA, must facilitate service level agreements for the appointment of Water Boards as service providers to operate and manage the water supply on behalf of the WSA once the project is completed</li> <li>All projects having an impact on water resources must be aligned with any relevant water resource planning study and strategy developed or adopted by DWA</li> <li>WSAs that fail to comply with any of 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 DWA</li> </ul> <p><b>Municipal Water Infrastructure Grant indirect component (schedule 6B)</b></p> <ul style="list-style-type: none"> <li>For municipalities where this grant is implemented as an allocation-in-kind (schedule 6B) DWA must enter into a Service Level Agreement (SLA) with the relevant municipality before any project is implemented. All SLAs must be signed by a Municipal Manager (or a delegated official) and DWA before projects can begin</li> <li>SLAs must specify: <ul style="list-style-type: none"> <li>the location of the project and communities impacted</li> <li>the consultation process undertaken with affected communities</li> <li>the alignment between the project plan and the municipality's WSDP</li> <li>the interim/intermediate and/or localised infrastructure that will be built or the intervention that will be implemented</li> <li>the cost of the project and timeframe for completion</li> <li>how maintenance of the infrastructure will be conducted and funded in future by the municipality</li> <li>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</li> <li>who DWA's implementing agent will be</li> <li>agreement by the municipality that the project should be implemented as an allocation-in-kind</li> </ul> </li> <li>DWA and/or the implementing agent must provide for skills transfer as part of the implementation of projects</li> <li>DWA will appoint implementing agents</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Funding allocations have been prioritised to WSAs within the 24 priority district municipalities identified by government, based on communities with no access to water supply services as at March 2013</li> </ul>

<b>Municipal Water Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>Municipalities will benefit in-kind through schedule 6B grant allocations if, on the assessment of DWA, a WSA fails to comply with any of the these framework conditions, or any MWIG contractual obligation, or where the WSA has not made adequate progress with a previous financial year's allocation</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The grant is an intervention which is earmarked for specific projects aimed at eradicating backlogs in water infrastructure</li> </ul>
<b>Past performance</b>	<b>2012/13 audited financial outcome</b> <ul style="list-style-type: none"> <li>New grant introduced in 2013/14</li> </ul>
	<b>2012/13 municipal pre-audit outcome</b> <ul style="list-style-type: none"> <li>New grant introduced in 2013/14</li> </ul>
	<b>2012/13 service delivery performance</b> <ul style="list-style-type: none"> <li>New grant introduced in 2013/14</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<b>Schedule 5B component:</b> <ul style="list-style-type: none"> <li>2014/15: R534 million, 2015/16: R1 380 million, and 2016/17: R1 302 million</li> </ul> <b>Schedule 6B component:</b> <ul style="list-style-type: none"> <li>2014/15: R525 million, 2015/16: R1 292 million, and 2016/17: R1 512 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of transferring national officer and receiving officer</b>	<b>Responsibilities of National Department</b> <ul style="list-style-type: none"> <li>Manage the overall grant</li> <li>Facilitate the development of appropriate planning for each WSA and the development of a provincial plan to eradicate water supply backlogs in the prioritised districts</li> <li>Evaluate and approve the technical reports and business plans for each project</li> <li>Report to the National Water Sector Planning and Co-ordination Committee regarding any project in excess of R20 million</li> <li>Ensure that the conditions of the grant and approved business plans are met</li> <li>Facilitate support to WSA if required to implement the projects</li> <li>Facilitate agreement on SLAs for WSAs with schedule 6B allocations</li> <li>Submit monthly, quarterly progress and annual reports to the National Treasury</li> </ul>
	<b>Responsibilities of the participating Water Boards</b> <ul style="list-style-type: none"> <li>Assist DWA in managing the implementation of the overall programme</li> <li>Carry out technical reports for some of the projects</li> <li>Manage the implementation of some of the projects as an implementing agent of the WSA</li> <li>Become Water Service Providers of the WSAs for the on-going management of water supply for projects where appointed by the WSA</li> <li>Assist the WSA where necessary in managing water supply infrastructure</li> <li>Develop adequate capacity, resources and skills to manage rural water supply schemes</li> <li>Water Boards must submit monthly, quarterly and annual reports when implementing projects</li> </ul>
	<b>Responsibilities of Water Services Authorities</b> <ul style="list-style-type: none"> <li>Develop adequate integrated planning for water services</li> <li>Compile an overall plan for the jurisdiction of the WSA on how to address all water supply backlogs and how all available funding will be aligned</li> <li>For schedule 5B allocations, compile and submit signed-off business plans for each project, including addressing how the projects will be operated and maintained (budget and capacity)</li> <li>For schedule 6B allocations, conclude a SLA with DWA on the project including how the WSA or its nominated WSP will fund and operate and maintain the infrastructure</li> <li>Consideration must be given to Community Based Organisations (CBOs) to operate and maintain rural schemes</li> <li>Manage the development and sign off the technical report for each project</li> <li>Ensure adequate participation and involvement of the public in each of the projects, particularly in rural areas</li> <li>Manage the project implementation in line with the business plan and/ or the SLA</li> <li>Budget for and ensure on-going effective and efficient operations and maintenance of the projects once completed, at the WSA's cost</li> <li>Comply with all the funding conditions agreed to in the Business plan and MWIG Agreement and/ or SLA where there is co-funding</li> <li>Contribute to the financial costs of some of the projects</li> <li>Submit monthly, quarterly and annual reporting as required by the Division of Revenue Act and DWA for schedule 5B allocations</li> </ul>

<b>Municipal Water Infrastructure Grant</b>	
<b>Process for approval of 2015/16 business plans</b>	<p><b>Schedule 5B allocations</b></p> <ul style="list-style-type: none"> <li>• WSA to submit business plan by 30 September 2014, including technical report</li> <li>• DWA to evaluate and ask for any changes if required by 31 October 2014</li> <li>• business plans signed and formalised by 30 November 2014, must include: <ul style="list-style-type: none"> <li>○ specific support plans to enhance ability and capacity</li> <li>○ a breakdown of the cost of projects to be implemented</li> <li>○ clear time lines of when and where projects will be implemented</li> <li>○ commitment of budget and capacity to operate and maintain the project</li> </ul> </li> <li>• Where technical reports are still in process as at September 2014, conditional approval may be granted by DWA, subject to the final technical report as well as amendments to the business plan being submitted for approval to DWA no later than 15 May 2015</li> </ul> <p><b>Schedule 6B allocations</b></p> <ul style="list-style-type: none"> <li>• DWA, in consultation with a WSA, must compile a business plan by 30 September 2014, including technical reports</li> <li>• WSA and DWA officials must sign the business plans and technical reports by 30 November 2014</li> <li>• business plans signed and formalised by 30 November 2014, must include: <ul style="list-style-type: none"> <li>○ specific support plans to enhance ability and capacity</li> <li>○ a breakdown of the cost of projects to be implemented</li> <li>○ clear time lines of when and where projects will be implemented</li> <li>○ commitment of budget and capacity of the WSA to operate and maintain the project</li> </ul> </li> <li>• Where technical reports are still in process as at September 2014, conditional approval may be granted by DWA, subject to the final technical report as well as amendments to the business plan being approved by both the WSA and DWA by no later than 30 May 2015</li> </ul>

<b>Water Services Operating Subsidy Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Water Affairs (Vote 38)</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To transfer Department of Water Affairs (DWA) water services function, staff and assets to local government in accordance with the agreed policy framework, enabling effective, efficient and sustainable service delivery by all receiving Water Services Authorities (WSAs)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To subsidise, refurbish and restore the functionality of water services schemes previously owned and/or operated by DWA or by other agencies on behalf of the department</li> </ul>
<b>Outcomes statements</b>	<ul style="list-style-type: none"> <li>The transfer of the water services function, including departmental staff to local government</li> <li>The transfer of infrastructure owned by the department to receiving WSAs or their elected Water Service Providers (WSPs)</li> <li>To ensure that transferred schemes are fully functional to ensure optimal service delivery by the WSA</li> <li>WSA/WSP is supported to develop sufficient capacity in line with funding requirements</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Operating outputs as defined in the business plan: <ul style="list-style-type: none"> <li>number of and degree to which WSAs were supported to build capacity and skills for enabling optimal service delivery on transferred water services schemes</li> </ul> </li> <li>Transfer outputs as outlined in the policy framework and business plan: <ul style="list-style-type: none"> <li>schemes refurbished to standards outlined in terms of the agreed policy framework</li> <li>schemes where the functionality has been restored</li> <li>number of transferred schemes</li> <li>number of transferred staff</li> </ul> </li> </ul>
<b>Details contained in business plans</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Outcome 9: A responsive, accountable, effective and efficient local government system</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Funds transferred to WSAs must be utilised for the intended purpose and there must be proper accountability by both receiving and transferring institutions</li> <li>The operating subsidy (grant-in-kind) will cover staff related costs (HR component), the direct operating and maintenance costs, refurbishment of water services schemes transferred to water boards, and will facilitate the transfer of schemes</li> <li>All receiving municipalities and WSPs will be required to conclude formal Transfer Agreements (TA) and subsequent addendums to the TA</li> <li>Approval of allocations is conditional on a business plan that meets the requirements prescribed</li> <li>Receiving WSAs must illustrate that appropriate operations and maintenance measures are in place to ensure the sustainability of transferred water services schemes</li> <li>Reporting on the grant must be done on a monthly basis</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations based on the residual refurbishment and functionality requirements established in June 2013</li> <li>Allocation are set out in the transfer agreement, in line with a business plan for the project and as agreed upon with National Treasury</li> <li>Schedule 5B will cover provision for areas where refurbishment of schemes falls under a WSA</li> <li>Schedule 6B will cover provisions for staff not yet transferred to a WSA, and goods and services</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The refurbishment component addresses the refurbishment of transferred water services schemes</li> </ul>
<b>Past performance</b>	<p><b>2012/13 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Direct transfers to municipalities: R562.4 million allocated, and transferred, of which R332.3 million (59 per cent) was reported spent by municipalities</li> <li>Allocation in kind for municipalities: R132.6 million allocated, with R112.6 million (85 per cent) spent</li> </ul> <p><b>2012/13 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Over the life of the grant 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</li> <li>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</li> <li>300 DWA staff members have not been accepted for transfer by receiving WSAs</li> <li>Funding has been allocated to refurbish 188 water services schemes in the 2013/14 financial year</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant continues until 2016/17, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>Direct transfers (Schedule 5B): <ul style="list-style-type: none"> <li>2014/15: R450 million, 2015/16: R470 million, and 2016/17: R495 million</li> </ul> </li> <li>Allocation-in-kind (Schedule 6B): <ul style="list-style-type: none"> <li>2014/15: R142 million, 2015/16: R151 million, and 2016/17: R159 million</li> </ul> </li> </ul>

<b>Water Services Operating Subsidy Grant</b>	
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the national department and municipalities and WSAs</b>	<p><b>Responsibilities of national department</b></p> <ul style="list-style-type: none"> <li>• Agree with WSAs on outputs and targets</li> <li>• Continue to provide support to municipalities to enable independence in managing the schemes</li> <li>• Report to National Treasury on the grant performance (in the prescribed format) and ensure compliance with the grant conditions</li> <li>• Maintain the comprehensive Refurbishment Project Management System (RPMS)</li> <li>• Conduct regular site inspections on projects implemented by WSAs</li> <li>• Submit monthly, quarterly progress and annual reports in a format agreed to with National Treasury</li> </ul> <p><b>Responsibilities of municipalities (WSAs)</b></p> <ul style="list-style-type: none"> <li>• WSAs will submit monthly, quarterly and annual reports in the format prescribed by National Treasury and DWA</li> <li>• Submission of refurbishment plans prior to the scheduled transfer of funds in compliance with standards set by DWA</li> <li>• Approval of Transfer Agreement Addendum</li> <li>• Effective, efficient and sustainable operations and maintenance of transferred, and refurbished water services schemes</li> </ul>
<b>Process for approval of 2015/16 business plans</b>	<ul style="list-style-type: none"> <li>• Refurbishment project plans (business plans) must be approved prior to transfer of funds and should include, at minimum: <ul style="list-style-type: none"> <li>○ names of schemes to be refurbished as aligned to the TA</li> <li>○ components to be refurbished as aligned to the TA</li> <li>○ scope/degree of refurbishment per component</li> <li>○ a breakdown of the cost of refurbishment and its implications</li> <li>○ measures in place to ensure sustainability (adequate operations and maintenance) of water services schemes to be refurbished</li> <li>○ specific support plans which may be required to enhance ability and capacity</li> </ul> </li> </ul>

**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 & SCHEDULE 7, PART B); CURRENT GRANTS 1 OF 2

Category	Municipality	Local Government Financial Management Grant		Municipal Systems Improvement Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Municipal Disaster Grant		Public Transport Network Operations Grant	
		2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>EASTERN CAPE</b>											
A	BUF Buffalo City	1 500	1 500	1 500							
A	NMA Nelson Mandela Bay	1 250	1 250	1 300						130 000	150 000
B	EC101 Cacadu	1 800	1 850	1 900	934	967	1 018				
B	EC102 Bhe Coen Route	1 600	1 650	1 700	934	967	1 018				
B	EC103 Iseze	1 800	1 950	2 100	934	967	1 018				
B	EC104 Mlaba	1 600	1 650	1 700	934	967	1 018				
B	EC105 Ndamba	1 800	1 850	1 900	934	967	1 018				
B	EC106 Sundays River Valley	1 800	1 950	2 100	934	967	1 018				
B	EC107 Baviaans	1 600	1 700	1 800	934	967	1 018				
B	EC108 Koga	1 600	1 650	1 700	934	967	1 018				
B	EC109 Koo-Kamma	1 800	1 950	2 100	934	967	1 018				
C	DC10 Cacadu District Municipality	1 250	1 250	1 300	934	967	1 018				
	<b>Total: Cacadu Municipalities</b>	<b>16 650</b>	<b>17 450</b>	<b>18 300</b>	<b>9 340</b>	<b>9 670</b>	<b>10 180</b>				
B	EC121 Mbashe	1 600	1 650	1 700	934	967	1 019				
B	EC122 Mquma	1 600	1 650	1 700	934	967	1 019				
B	EC123 Great Kei	1 800	1 950	2 100	934	967	1 018				
B	EC124 Amatathu	1 600	1 650	1 700	934	967	1 018				
B	EC125 Mthatha	1 800	1 950	2 100	934	967	1 018				
B	EC127 Nkhotso	1 800	1 950	2 100	934	967	1 018				
B	EC128 Ntsaba	1 800	1 950	2 100	934	967	1 018				
C	DC12 Anathole District Municipality	1 250	1 250	1 300	934	967	1 018				
	<b>Total: Amathole Municipalities</b>	<b>13 250</b>	<b>14 000</b>	<b>14 800</b>	<b>7 472</b>	<b>7 736</b>	<b>8 146</b>				
B	EC131 Inxuba Yethemba	1 600	1 650	1 700	934	967	1 018				
B	EC132 Tsolwana	1 800	1 950	2 100	934	967	1 018				
B	EC133 Inkwanca	1 600	1 650	1 700	934	967	1 018				
B	EC134 Lukanji	1 600	1 650	1 700	934	967	1 018				
B	EC135 Inxuba Yethu	1 800	1 850	1 900	934	967	1 018				
B	EC136 Enatsheni	1 600	1 650	1 700	934	967	1 018				
B	EC137 Engobozo	1 600	1 650	1 700	934	967	1 019				
B	EC138 Sakhazwe	1 600	1 650	1 700	934	967	1 018				
C	DC13 Chris Hani District Municipality	1 300	1 300	1 300	934	967	1 018				
	<b>Total: Chris Hani Municipalities</b>	<b>14 900</b>	<b>15 500</b>	<b>16 100</b>	<b>8 402</b>	<b>8 697</b>	<b>9 163</b>				
B	EC141 Elundini	1 600	1 650	1 700	934	967	1 018				
B	EC142 Sengu	1 600	1 650	1 700	934	967	1 018				
B	EC143 Maitsovo	1 800	1 950	2 100	934	967	1 018				
B	EC144 Gantep	1 800	1 950	2 100	934	967	1 018				
C	DC14 Joe Gqabi District Municipality	1 250	1 250	1 300	934	967	1 018				
	<b>Total: Joe Gqabi Municipalities</b>	<b>8 050</b>	<b>8 450</b>	<b>8 900</b>	<b>4 670</b>	<b>4 835</b>	<b>5 090</b>				
B	EC153 Nqunza Hill	1 600	1 650	1 700	934	967	1 018				
B	EC154 Port St Johns	1 800	1 950	2 100	934	967	1 018				
B	EC155 Ntendeni	1 600	1 650	1 700	934	967	1 018				
B	EC156 Mkhonto	1 800	1 850	1 900	934	967	1 018				
B	EC157 King Shikama Dalindyebo	1 600	1 650	1 700	934	967	1 018				
C	DC15 O.R. Tambo District Municipality	1 300	1 300	1 300	934	967	1 018				
	<b>Total: O.R. Tambo Municipalities</b>	<b>9 900</b>	<b>10 250</b>	<b>10 600</b>	<b>5 004</b>	<b>5 202</b>	<b>6 108</b>				
B	EC441 Matielde	1 600	1 650	1 700	934	967	1 018				
B	EC442 Umtsoyovu	1 600	1 650	1 700	934	967	1 018				
B	EC443 Mbitzana	1 600	1 650	1 700	934	967	1 018				
B	EC444 Ntabankulu	1 800	1 950	2 100	934	967	1 018				
C	DC44 Alfred Nzo District Municipality	1 250	1 250	1 300	934	967	1 018				
	<b>Total: Alfred Nzo Municipalities</b>	<b>7 850</b>	<b>8 150</b>	<b>8 500</b>	<b>4 670</b>	<b>4 835</b>	<b>5 090</b>				
	<b>Total: Eastern Cape Municipalities</b>	<b>73 350</b>	<b>76 550</b>	<b>80 000</b>	<b>40 158</b>	<b>41 575</b>	<b>43 777</b>			<b>130 000</b>	<b>150 000</b>







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

Category	Municipality	Local Government Financial Management Grant		Municipal Systems Improvement Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Municipal Disaster Grant		Public Transport Network Operations Grant	
		National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)
<b>LIMPOPO</b>											
B	LIM331 Greater Giyani	1 600	1 650	1 700	934	967	1 018	1 480			
B	LIM332 Greater Tzaneen	1 600	1 650	1 700	934	967	1 018	1 731			
B	LIM333 Greater Tzaneen	1 600	1 650	1 700	934	967	1 018	2 060			
B	LIM334 Bø-Pfalaborwa	1 600	1 650	1 700	934	967	1 018	1 212			
B	LIM335 Mandeng	1 800	1 950	2 100	934	967	1 018	1 316			
C	DC33 Mopani District Municipality	1 250	1 250	1 300	934	967	1 018	2 195			
	<b>Total: Mopani Municipalities</b>	<b>9 450</b>	<b>9 800</b>	<b>10 200</b>	<b>5 604</b>	<b>5 802</b>	<b>6 108</b>	<b>9 994</b>			
B	LIM341 Musina	1 800	1 950	2 100	934	967	1 018	1 067			
B	LIM342 Muela	1 800	1 950	2 100	934	967	1 018	1 357			
B	LIM343 Thulamela	1 600	1 650	1 700	934	967	1 018	1 737			
B	LIM344 Makhado	1 600	1 650	1 700	934	967	1 018	1 128			
C	DC34 Vhembe District Municipality	1 250	1 250	1 300	934	967	1 018	3 696			
	<b>Total: Vhembe Municipalities</b>	<b>8 050</b>	<b>8 450</b>	<b>8 900</b>	<b>4 670</b>	<b>4 835</b>	<b>5 090</b>	<b>8 985</b>			
B	LIM351 Bloubaerg	1 800	1 950	2 100	934	967	1 019	1 651			
B	LIM352 Middelburg	1 800	1 950	2 100	934	967	1 019	1 524			
B	LIM353 Middelburg	1 600	1 650	1 700	934	967	1 018	1 454			
B	LIM354 Polkwane	1 800	1 950	2 100	930	967	1 019	3 960			
B	LIM355 Lepale-Nampoi	1 600	1 650	1 700	934	967	1 018	1 712			
C	DC35 Capricorn District Municipality	1 250	1 250	1 300	934	967	1 018	1 964			
	<b>Total: Capricorn Municipalities</b>	<b>9 850</b>	<b>10 400</b>	<b>11 000</b>	<b>5 600</b>	<b>5 802</b>	<b>6 111</b>	<b>12 277</b>			
B	LIM361 Thabazimbi	1 600	1 650	1 700	934	967	1 018	1 486			
B	LIM362 Lephalale	1 600	1 650	1 700	934	967	1 018	1 035			
B	LIM364 Moskopong	1 800	1 950	2 100	934	967	1 019	1 134			
B	LIM365 Modimolle	1 600	1 650	1 700	934	967	1 018	1 502			
B	LIM366 Bela-Bela	1 600	1 650	1 700	934	967	1 019	1 123			
B	LIM367 Mogalakwena	1 600	1 650	1 700	934	967	1 018	2 015			
C	DC36 Waterberg District Municipality	1 250	1 250	1 300	934	967	1 018	1 000			
	<b>Total: Waterberg Municipalities</b>	<b>11 050</b>	<b>11 450</b>	<b>11 900</b>	<b>6 588</b>	<b>6 760</b>	<b>7 128</b>	<b>9 295</b>			
B	LIM471 Ephraim Mogenle	1 600	1 650	1 700	934	967	1 018	1 279			
B	LIM472 Elias Moselele	1 600	1 650	1 700	934	967	1 018	1 187			
B	LIM473 Makhudatshanga	1 600	1 650	1 700	934	967	1 018	1 032			
B	LIM474 Fatukomo	1 800	1 950	2 100	934	967	1 018	1 052			
B	LIM475 Greater Tubatse	1 600	1 650	1 700	934	967	1 018	1 364			
C	DC47 Sekhukhune District Municipality	1 250	1 250	1 300	934	967	1 018	3 466			
	<b>Total: Sekhukhune Municipalities</b>	<b>9 450</b>	<b>9 800</b>	<b>10 200</b>	<b>5 604</b>	<b>5 802</b>	<b>6 108</b>	<b>9 380</b>			
	<b>Total: Limpopo Municipalities</b>	<b>47 850</b>	<b>49 900</b>	<b>52 200</b>	<b>28 016</b>	<b>29 010</b>	<b>30 545</b>	<b>49 931</b>			

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

Category	Municipality		Local Government Financial Management Grant		Municipal Systems Improvement Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Municipal Disaster Grant		Public Transport Network Operations Grant		
	2018/15	2015/16	2018/17	2015/16	2018/17	2015/16	2018/17	2015/16	2018/17	2015/16	2018/17	2015/16	2018/17
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
<b>MPUMALANGA</b>													
B	MF301	Albert Luthuli	1 600	1 650	1 700	934	967	1 018	4 105				
B	MF302	Makalengwa	1 600	1 650	1 700	934	967	1 018	1 144				
B	MF303	Mkhondo	1 600	1 650	1 700	934	967	1 019	2 905				
B	MF304	Pitsoy Ka Seme	1 600	1 650	1 700	934	967	1 018	3 554				
B	MF305	Lekwa	1 600	1 650	1 700	934	967	1 019	1 190				
B	MF306	Dipaleseng	1 800	1 950	2 100	934	967	1 018	1 435				
B	MF307	Govan Mbeki	1 600	1 650	1 700	934	967	1 018	2 071				
C	DC30	Gert Sibande District Municipality	1 250	1 250	1 300	934	967	1 018	1 587				
		<b>Total: Gert Sibande Municipalities</b>	<b>12 650</b>	<b>13 100</b>	<b>13 600</b>	<b>7 472</b>	<b>7 736</b>	<b>8 146</b>	<b>17 991</b>				
B	MF311	Victor Khanye	1 600	1 650	1 700	934	967	1 018	1 823				
B	MF312	Ennathlalen	1 600	1 650	1 700	934	967	1 018	2 446				
B	MF313	Shele Shwete	1 600	1 650	1 700	934	967	1 018	1 145				
B	MF314	Thabazimbi	1 600	1 650	1 700	934	967	1 018	1 231				
B	MF315	Thabazimbi Hani	1 600	1 650	1 700	934	967	1 018	3 257				
B	MF316	Dt. IS Mareda	1 600	1 650	1 700	934	967	1 018	3 406				
C	DC31	Nkangala District Municipality	1 250	1 250	1 300	934	967	1 018	2 121				
		<b>Total: Nkangala Municipalities</b>	<b>11 650</b>	<b>11 450</b>	<b>11 900</b>	<b>6 538</b>	<b>6 769</b>	<b>7 126</b>	<b>16 493</b>				
B	MF321	Thaba Chwetu	1 600	1 650	1 700	934	967	1 018	1 657				
B	MF322	Mbombela	1 600	1 650	1 700	934	967	1 018	6 040				
B	MF323	Unjindi	1 600	1 650	1 700	934	967	1 019	1 795				
B	MF324	Nkomazi	1 600	1 650	1 700	934	967	1 018	5 451				
B	MF325	Bushbuckridge	1 600	1 650	1 700	934	967	1 018	2 192				
C	DC32	Ehlanzeni District Municipality	1 500	1 500	1 500	934	967	1 018	2 887				
		<b>Total: Ehlanzeni Municipalities</b>	<b>9 500</b>	<b>9 750</b>	<b>10 000</b>	<b>5 604</b>	<b>5 802</b>	<b>6 109</b>	<b>20 022</b>				
		<b>Total: Mpumalanga Municipalities</b>	<b>33 200</b>	<b>34 300</b>	<b>35 500</b>	<b>19 614</b>	<b>20 307</b>	<b>21 381</b>	<b>54 506</b>				

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

Category	Local Government Financial Management Grant		Municipal Systems Improvement Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Municipal Disaster Grant		Public Transport Network Operations Grant	
	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>Municipality</b>										
<b>NORTHERN CAPE</b>										
B NC061 Richtersveld	1 800	1 950								
B NC062 Namakwa	1 600	1 650	2 100	934	967	1 018	1 000			
B NC064 Kamiesberg	1 800	1 950	2 100	934	967	1 018	1 000			
B NC065 Hartam	1 800	1 950	2 100	934	967	1 018	1 308			
B NC066 Karoo Hoogland	1 800	1 950	2 100	934	967	1 018	1 000			
B NC067 Kala-Ma	1 800	1 950	2 100	934	967	1 018	1 000			
C DC6 Namakwa District Municipality	1 250	1 250	1 300	934	967	1 018	1 000			
<b>Total: Namakwa Municipalities</b>	<b>11 850</b>	<b>12 650</b>	<b>13 500</b>	<b>6 538</b>	<b>6 769</b>	<b>7 126</b>	<b>7 308</b>			
B NC071 Uburu	1 800	1 950	2 100	934	967	1 018	1 000			
B NC072 Unsobomvu	1 800	1 950	2 100	934	967	1 018	1 000			
B NC073 Enthuyeni	1 600	1 650	1 700	934	967	1 018	1 000			
B NC074 Kareberg	1 800	1 950	2 100	934	967	1 018	1 000			
B NC075 Rensterberg	1 800	1 950	2 100	934	967	1 018	1 000			
B NC076 Thembelille	1 800	1 950	2 100	934	967	1 018	1 000			
B NC077 Sijubema	1 800	1 950	2 100	934	967	1 018	1 000			
B NC078 Peka-Ka-Seme	1 800	1 950	2 100	934	967	1 018	1 000			
C DC7 Peka-Ka-Seme District Municipality	1 250	1 250	1 300	934	967	1 018	1 000			
<b>Total: Peka-Ka-Seme Municipalities</b>	<b>15 450</b>	<b>16 550</b>	<b>17 700</b>	<b>8 406</b>	<b>8 703</b>	<b>9 162</b>	<b>9 000</b>			
B NC081 Mier	1 800	1 950	2 100	934	967	1 019	1 000			
B NC082 'Kai-Garb	1 800	1 950	2 100	934	967	1 018	1 374			
B NC083 //Klam-Hais	1 600	1 650	1 700	934	967	1 018	1 015			
B NC084 'Kheis	1 800	1 950	2 100	934	967	1 018	1 000			
B NC085 Tsamshane	1 800	1 950	2 100	934	967	1 019	1 000			
B NC086 Katelopele	1 800	1 950	2 100	934	967	1 019	1 000			
C DC8 Z.F. Mgcawu District Municipality	1 250	1 250	1 300	934	967	1 019	1 000			
<b>Total: Siyanda Municipalities</b>	<b>11 850</b>	<b>12 650</b>	<b>13 500</b>	<b>6 538</b>	<b>6 769</b>	<b>7 129</b>	<b>7 389</b>			
B NC091 Sa-Platjie	1 600	1 650	1 700	934	967	1 018	5 330			
B NC092 Digaatong	1 800	1 950	2 100	934	967	1 018	1 342			
B NC093 Digaatong	1 600	1 650	1 700	934	967	1 018	1 215			
C DC9 Frances Baard District Municipality	1 250	1 250	1 300	934	969	1 019	1 006			
<b>Total: Frances Baard Municipalities</b>	<b>8 050</b>	<b>8 450</b>	<b>8 900</b>	<b>4 670</b>	<b>4 837</b>	<b>5 091</b>	<b>10 091</b>			
B NC451 Joe Morolong	1 600	1 650	1 700	934	967	1 018	1 969			
B NC452 Ga-Segonyana	1 600	1 650	1 700	934	967	1 019	1 000			
B NC453 Gamagan	1 600	1 650	1 700	934	967	1 019	1 000			
C DC45 John F. Tlopoteng District Municipality	1 250	1 250	1 300	934	967	1 018	1 000			
<b>Total: John F. Tlopoteng District Municipality</b>	<b>6 050</b>	<b>6 200</b>	<b>6 400</b>	<b>3 736</b>	<b>3 868</b>	<b>4 074</b>	<b>4 969</b>			
<b>Total: Northern Cape Municipalities</b>	<b>53 250</b>	<b>56 500</b>	<b>60 000</b>	<b>29 888</b>	<b>30 946</b>	<b>32 582</b>	<b>38 757</b>			

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

Category	Local Government Financial Management Grant		Municipal Systems Improvement Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Municipal Disaster Grant		Public Transport Network Operations Grant	
	2018/15 (R'000)	2016/17 (R'000)	2018/15 (R'000)	2016/17 (R'000)	2018/15 (R'000)	2016/17 (R'000)	2018/15 (R'000)	2016/17 (R'000)	2018/15 (R'000)	2016/17 (R'000)
<b>NORTH WEST</b>										
B	1 600	1 650	1 700	934	967	1 018	2 546			
B	1 600	1 650	1 700	934	967	1 018	2 288			
B	1 600	1 650	1 700	934	967	1 018	4 611			
B	1 800	1 950	2 100	934	967	1 018	2 207			
B	1 600	1 650	1 700	934	967	1 018	1 845			311 450
C	DC37	1 250	1 300	934	967	1 018	1 191			
<b>Total: Bojanala Platinum District Municipality</b>										
	9 450	9 800	10 200	5 604	5 802	6 108	14 688			311 450
B	1 800	1 950	2 100	934	967	1 018	1 757			
B	1 800	1 950	2 100	934	967	1 018	1 092			
B	1 600	1 650	1 700	934	967	1 018	2 291			
B	1 600	1 650	1 700	934	967	1 018	1 181			
B	1 600	1 650	1 700	934	967	1 018	1 181			
C	DC38	1 250	1 300	934	967	1 018	3 142			
<b>Total: Ngaka Modiri Molema Municipalities</b>										
	9 650	10 100	10 600	5 600	5 802	6 108	10 927			
B	1 600	1 650	1 700	934	967	1 018	1 846			
B	1 800	1 950	2 100	934	967	1 018	1 386			
B	1 800	1 950	2 100	934	967	1 018	1 205			
B	1 600	1 650	1 700	934	967	1 018	1 236			
B	NW397	2 588	2 548	930	967	1 019	1 000			
C	DC39	1 250	1 300	934	967	1 018	2 141			
<b>Total: Dr Ruth Segomosi Mompoti District Municipality</b>										
	10 638	10 999	11 248	5 600	5 802	6 109	8 814			
B	1 800	1 950	2 100	934	967	1 018	1 388			
B	1 600	1 650	1 700	934	967	1 018	1 000			
B	1 600	1 650	1 700	934	967	1 018	1 913			
B	1 600	1 650	1 700	934	967	1 018	1 181			
C	DC40	1 250	1 300	934	967	1 018	1 000			
<b>Total: Dr Kenneth Karanda District Municipality</b>										
	7 850	8 150	8 500	4 670	4 835	5 090	6 490			
<b>Total: North West Municipalities</b>										
	37 588	39 049	40 548	21 474	22 241	23 415	40 919			311 450



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

Category	Municipality	Local Government Financial Management Grant		Municipal Systems Improvement Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Municipal Disaster Grant		Public Transport Network Operations Grant		
		2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>WESTERN CAPE</b>												
A	CPT: City of Cape Town	1 250	1 250	1 300			21 204				217 548	229 554
B	WC011 Matielanda	1 450	1 500	1 700	934	967	1 018	1 201				
B	WC012 Cederberg	1 450	1 500	1 700	934	967	1 018	1 328				
B	WC013 Bergster	1 450	1 500	1 700	934	967	1 018	1 147				
B	WC014 Saldanha Bay	1 450	1 500	1 700	934	967	1 018	1 086				
B	WC015 Swartland	1 450	1 500	1 700	934	967	1 018	1 213				
C	DC1 West Coast District Municipality	1 250	1 250	1 300	934	967	1 018	1 000				
	<b>Total: West Coast Municipalities</b>	<b>8 500</b>	<b>8 750</b>	<b>9 800</b>	<b>5 604</b>	<b>5 802</b>	<b>6 108</b>	<b>6 975</b>				
B	WC022 Witzenberg	1 450	1 500	1 700	934	967	1 018	1 000				
B	WC023 Drakenstein	1 450	1 500	1 700	934	967	1 018	1 000				
B	WC024 Stellenbosch	1 450	1 500	1 700	934	967	1 018	1 544				
B	WC025 Breede Valley	1 450	1 500	1 700	934	967	1 018	1 006				
B	WC026 Langeberg	1 450	1 500	1 700	934	967	1 018	1 440				
C	DC2 Cape Winelands District Municipality	1 250	1 250	1 300	934	967	1 018	1 000				
	<b>Total: Cape Winelands Municipalities</b>	<b>8 500</b>	<b>8 750</b>	<b>9 800</b>	<b>5 604</b>	<b>5 802</b>	<b>6 108</b>	<b>6 990</b>				
B	WC031 Theewaterskloof	1 600	1 650	1 700	934	966	1 019	1 106				
B	WC032 Ooserland	1 450	1 500	1 700	934	966	1 019	1 768				
B	WC033 Cape Agulhas	1 450	1 500	1 700	934	966	1 019	1 200				
B	WC034 Swellendam	1 600	1 750	1 900	934	966	1 019	1 305				
C	DC3 Overberg District Municipality	1 250	1 250	1 300	934	966	1 019	1 056				
	<b>Total: Overberg Municipalities</b>	<b>7 350</b>	<b>7 650</b>	<b>8 300</b>	<b>4 670</b>	<b>4 830</b>	<b>5 095</b>	<b>6 355</b>				
B	WC041 Kammanland	1 600	1 750	1 900	934	967	1 018	1 000				
B	WC042 Hessequa	1 450	1 500	1 700	934	967	1 018	1 335				
B	WC043 Mossel Bay	1 450	1 500	1 700	934	967	1 018	1 844				
B	WC044 George	1 450	1 500	1 700	934	967	1 018	2 933				
B	WC045 Oudshoorn	1 450	1 500	1 700	934	967	1 018	1 665				
B	WC047 Bloubaai	1 450	1 500	1 700	934	967	1 018	1 371				
B	WC048 Kooiysbaai	1 450	1 500	1 700	934	967	1 018	1 000				
C	DC4 Eden District Municipality	1 250	1 250	1 300	934	967	1 018	1 000				
	<b>Total: Eden Municipalities</b>	<b>11 500</b>	<b>12 000</b>	<b>13 400</b>	<b>7 472</b>	<b>7 756</b>	<b>8 144</b>	<b>12 148</b>				
B	WC051 Langesig	1 700	1 850	2 000	934	967	1 019	1 013				
B	WC052 Prins Albert	1 600	1 750	1 900	934	967	1 019	1 000				
B	WC053 Beaufort West	1 600	1 650	1 700	934	967	1 018	1 834				
C	DC5 Central Karoo District Municipality	1 250	1 250	1 300	934	967	1 018	1 212				
	<b>Total: Central Karoo Municipalities</b>	<b>6 150</b>	<b>6 500</b>	<b>6 900</b>	<b>3 736</b>	<b>3 868</b>	<b>4 074</b>	<b>5 059</b>				
	<b>Total: Western Cape Municipalities</b>	<b>43 300</b>	<b>44 900</b>	<b>49 500</b>	<b>27 086</b>	<b>28 038</b>	<b>29 529</b>	<b>58 731</b>				
	<b>Unallocated</b>											
	<b>National Total</b>	<b>449 138</b>	<b>469 799</b>	<b>494 698</b>	<b>252 152</b>	<b>261 060</b>	<b>274 896</b>	<b>594 575</b>	<b>618 966</b>	<b>705 997</b>	<b>396 374</b>	<b>1 043 024</b>

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

Category	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant		Integrated City Development Grant		SUB-TOTAL: CURRENT	
	2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)
<b>Municipality</b>												
<b>EASTERN CAPE</b>												
A. BUF			5 500	7 000	8 000	9 000					8 890	9 500
A. NMA			8 000	8 500	10 000	10 000	10 000	10 000		4 133	204 529	208 007
B. EC101											3 734	2 918
B. EC102											3 534	2 718
B. EC103											3 734	3 118
B. EC104											3 541	2 718
B. EC105											3 734	2 918
B. EC106											3 734	3 118
B. EC107											3 924	2 818
B. EC108											3 819	2 718
B. EC109											3 734	3 118
C. DC10	10 000	10 500			5 000	5 000	5 000	5 000			3 420	7 318
<b>Total: Cacadu Municipalities</b>	<b>10 000</b>	<b>10 500</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>			<b>36 908</b>	<b>33 480</b>
B. EC121											3 687	2 719
B. EC122											4 056	2 617
B. EC123											3 734	3 118
B. EC124											3 779	2 718
B. EC126											3 734	3 118
B. EC127											7 804	8 118
B. EC128											3 734	3 118
C. DC12	10 000	10 500	5 000	5 000	5 000	5 000	5 000	5 000			15 229	7 318
<b>Total: Amathole Municipalities</b>	<b>12 000</b>	<b>12 000</b>	<b>2 200</b>	<b>2 500</b>	<b>2 500</b>	<b>2 500</b>	<b>4 000</b>	<b>5 000</b>			<b>45 757</b>	<b>32 946</b>
B. EC131											4 021	2 617
B. EC132											3 911	2 917
B. EC133											4 015	3 118
B. EC134			2 200	2 500	2 500						6 448	5 218
B. EC135											4 483	2 617
B. EC136											3 951	2 918
B. EC137											4 217	2 918
B. EC138											3 534	2 718
C. DC13	12 000	12 500	5 000	5 000	5 000	5 000	5 000	5 000			23 558	7 518
<b>Total: Chris Hani District Municipality</b>	<b>12 000</b>	<b>12 000</b>	<b>2 200</b>	<b>2 500</b>	<b>2 500</b>	<b>2 500</b>	<b>4 000</b>	<b>5 000</b>			<b>56 038</b>	<b>31 097</b>
B. EC141											4 124	2 617
B. EC142											4 510	2 718
B. EC143											3 935	3 118
B. EC144											3 734	3 118
C. DC14	10 000	10 000	5 000	5 000	5 000	5 000	5 000	5 000			13 493	7 318
<b>Total: Joe Gqabi Municipalities</b>	<b>10 000</b>	<b>10 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>			<b>29 796</b>	<b>18 990</b>
B. EC153											3 534	2 617
B. EC154											3 853	3 118
B. EC155											3 706	2 718
B. EC156											3 955	2 918
B. EC157			3 000	4 000	5 000						7 063	7 718
C. DC15	10 000	10 000	7 500	7 500	7 500	7 500	7 500	7 500			25 428	10 018
<b>Total: O.R. Tambo District Municipality</b>	<b>10 000</b>	<b>10 000</b>	<b>3 000</b>	<b>4 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>			<b>47 539</b>	<b>29 208</b>
B. EC441											7 019	2 617
B. EC442											4 127	2 617
B. EC443											3 534	2 718
B. EC444											4 032	2 917
C. DC44	5 000	10 000	7 500	7 500	7 500	7 500	7 500	7 500			22 507	16 217
<b>Total: Alfred Nzo District Municipality</b>	<b>5 000</b>	<b>10 000</b>	<b>3 000</b>	<b>4 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>			<b>41 219</b>	<b>26 985</b>
<b>Total: Eastern Cape Municipalities</b>	<b>47 000</b>	<b>49 500</b>	<b>30 000</b>	<b>21 700</b>	<b>26 000</b>	<b>29 500</b>	<b>18 000</b>	<b>20 000</b>	<b>20 000</b>	<b>4 133</b>	<b>472 676</b>	<b>390 984</b>

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

Category	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant		Integrated City Development Grant		SUB-TOTAL: CURRENT	
	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>FREE STATE</b>												
A. MAN. Mangungu					7.490	5.000	5.000		5.596		6.500	6.500
B. FS161 Letsemeng											3.744	2.917
B. FS162 Korong											3.759	2.617
B. FS163 Mokokare											3.767	2.917
B. FS164 Naledi											3.734	2.917
C. DC16 Xhariep District Municipality											3.264	2.217
<b>Total: Xhariep Municipalities</b>											<b>18.268</b>	<b>13.585</b>
B. FS181 Masikanyana											3.757	2.917
B. FS182 Tokologo											3.813	2.910
B. FS183 Tswelopele					4.000	10.000	10.000				3.957	2.917
B. FS184 Mafjhabeng											7.673	12.617
B. FS185 Nala											3.768	2.917
C. DC18 Lepellekwa District Municipality					4.000	10.000	10.000				2.184	2.217
<b>Total: Lepellekwa Municipalities</b>											<b>25.152</b>	<b>26.495</b>
B. FS191 Setsoho											5.166	2.617
B. FS192 Dhlabeng		5.500									9.101	5.117
B. FS193 Nketoana		8.500									3.638	2.617
B. FS194 Maitlari a Phofung											15.900	8.117
B. FS195 Phumolela											3.734	2.917
B. FS196 Mantsopa											7.535	12.617
C. DC19 Thabo Mofutsanyana District Municipality											3.466	2.217
<b>Total: Thabo Mofutsanyana Municipalities</b>		<b>14.000</b>									<b>48.540</b>	<b>36.219</b>
B. FS201 Moslaka											7.729	7.617
B. FS203 Ngwathe		6.000									3.534	2.617
B. FS204 Memezindo											9.643	6.117
B. FS205 Nantlha											3.234	2.217
C. DC20 Ficksburg District Municipality											3.234	2.217
<b>Total: Ficksburg Municipalities</b>		<b>6.000</b>									<b>27.879</b>	<b>26.485</b>
<b>Total: Free State Municipalities</b>		<b>20.000</b>			<b>19.490</b>	<b>35.000</b>	<b>35.000</b>		<b>5.596</b>		<b>136.856</b>	<b>109.284</b>
<b>GAUTENG</b>												
A. EKU Ekurhuleni											110.369	68.624
A. JHB City of Johannesburg					10.000	15.000	15.000	52.374	40.323		384.812	350.323
A. TSH City of Tshwane								47.506	44.659		275.925	223.206
B. GT1421 Emfuleni											6.575	2.467
B. GT1422 Midvaal											3.519	2.467
B. GT1423 Lesseli											3.653	2.467
C. DC42 Sedibeng District Municipality											3.184	2.217
<b>Total: Sedibeng Municipalities</b>											<b>16.931</b>	<b>10.473</b>
B. GT1481 Mogale City											8.436	7.467
B. GT1482 Randfontein											3.387	2.467
B. GT1483 Westonaria											6.615	4.467
B. GT1484 Meritong City											8.488	2.617
C. DC48 West Rand District Municipality											3.474	2.217
<b>Total: West Rand Municipalities</b>											<b>30.400</b>	<b>19.235</b>
<b>Total: Gauteng Municipalities</b>											<b>818.437</b>	<b>671.006</b>

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

Category	Municipality	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy, Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant		Integrated City Development Grant		SUB-TOTAL - CURRENT		
		2013/16 (R'000)		2015/16 (R'000)		2013/16 (R'000)		2015/16 (R'000)		2013/16 (R'000)		2015/16 (R'000)		
		2014/15 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2016/17 (R'000)	
<b>KWAZULU-NATAL</b>														
A	ETH eThekweni			25 425	25 000	23 000	15 000	10 000	15 000	52 469	52 621	296 739	266 432	263 106
B	KZN211 Vukuzansi											3 734	2 917	3 118
B	KZN212 Umhlanga											3 734	2 917	3 118
B	KZN213 Umhlanga											3 734	2 917	3 118
B	KZN214 Umhlanga											3 734	2 917	3 118
B	KZN215 Umhlanga											3 734	2 917	3 118
B	KZN216 Umhlanga											3 734	2 917	3 118
C	DC21 Ugu District Municipality	2 650	3 000	1 500	3 000	4 000						5 052	7 867	9 318
	<b>Total Ugu Municipalities</b>	<b>2 650</b>	<b>3 000</b>	<b>1 500</b>	<b>3 000</b>	<b>4 000</b>						<b>27 674</b>	<b>25 069</b>	<b>27 626</b>
B	KZN221 uMkhasini											3 734	2 917	3 118
B	KZN222 uMkhasini											3 734	2 917	3 118
B	KZN223 uMkhasini											3 734	2 917	3 118
B	KZN224 uMkhasini											3 734	2 917	3 118
B	KZN225 uMkhasini											3 734	2 917	3 118
B	KZN226 uMkhasini											3 734	2 917	3 118
B	KZN227 uMkhasini											3 734	2 917	3 118
C	DC22 Umgungahlovu District Municipality											5 505	2 217	2 318
	<b>Total Umgungahlovu Municipalities</b>											<b>33 706</b>	<b>22 036</b>	<b>23 344</b>
B	KZN232 Emambithi/Ladysmith											6 566	2 617	2 718
B	KZN233 Indaka											3 734	2 917	3 118
B	KZN234 Umshezi											3 534	2 617	2 718
B	KZN235 Okhahlamba											3 893	2 917	3 118
B	KZN236 Imbebezane											3 734	2 917	3 118
C	DC23 Uthukela District Municipality	9 000	3 000									14 483	4 867	5 318
	<b>Total Uthukela Municipalities</b>	<b>9 000</b>	<b>3 000</b>									<b>35 944</b>	<b>18 852</b>	<b>20 108</b>
B	KZN241 Endumeni											3 534	2 617	2 718
B	KZN242 Nqutu											3 984	2 910	3 120
B	KZN244 Msinga											4 633	2 917	3 118
B	KZN245 Umvoti											4 766	2 717	2 818
C	DC24 Umzinyathi District Municipality	4 000	3 000									7 974	4 867	5 318
	<b>Total Umzinyathi Municipalities</b>	<b>4 000</b>	<b>3 000</b>									<b>24 891</b>	<b>16 028</b>	<b>17 092</b>
B	KZN252 Newcastle											8 045	10 267	10 718
B	KZN253 Emmaadungeni											8 274	2 917	3 118
B	KZN254 Dlamatsozi											3 734	2 917	3 118
C	DC25 uMantsoze District Municipality											3 710	2 467	2 518
	<b>Total Amanzoba Municipalities</b>											<b>20 123</b>	<b>18 568</b>	<b>19 472</b>



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

Category	Water Services Operating Subsidy Grant			Infrastructure Skills Development Grant			Energy, Efficiency and Demand Side Management Grant			Municipal Human Settlements Capacity Grant			Integrated City Development Grant			SUB-TOTAL - CURRENT				
	National and Municipal Financial Year		2016/17	National and Municipal Financial Year		2016/17	National and Municipal Financial Year		2016/17	National and Municipal Financial Year		2016/17	National and Municipal Financial Year		2016/17	National and Municipal Financial Year		2016/17		
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)		
<b>Municipality</b>																				
<b>LIMPOPO</b>																				
B LIM331 Greater Glyani																	4 014	2 617	2 718	
B LIM332 Greater Letlaba																	4 265	2 617	2 718	
B LIM333 Greater Tzaneen																	8 594	8 617	7 718	
B LIM334 Be-Pulaletswa																	4 746	2 617	2 718	
C DC33 Mauding																	29 370	32 217	52 318	
<b>Total Mpumali Municipalities</b>	<b>25 000</b>	<b>30 000</b>	<b>30 000</b>	<b>50 000</b>					<b>4 000</b>	<b>6 000</b>	<b>5 000</b>					<b>54 048</b>	<b>51 062</b>	<b>71 305</b>		
B LIM341 Muzina																	3 801	2 917	3 118	
B LIM342 Muela																	4 091	2 917	3 118	
B LIM343 Thlamela																	8 271	8 617	7 718	
B LIM344 Mafabado																	3 662	2 617	2 718	
<b>Total Vhembe Municipalities</b>	<b>35 000</b>	<b>60 000</b>	<b>60 000</b>	<b>70 000</b>					<b>4 000</b>	<b>12 000</b>	<b>10 000</b>					<b>60 705</b>	<b>85 285</b>	<b>93 990</b>		
B LIM351 Bloberg																	4 385	2 917	3 119	
B LIM352 Aganang																	4 270	2 917	3 119	
B LIM353 Motemole																	3 988	2 617	2 718	
B LIM354 Polokwane																	29 690	30 917	31 119	
B LIM355 Lepelle-Nkumpi																	4 246	2 617	2 718	
<b>Total Capricorn Municipalities</b>	<b>25 000</b>	<b>30 000</b>	<b>30 000</b>	<b>35 000</b>					<b>4 000</b>	<b>6 000</b>	<b>5 000</b>					<b>33 148</b>	<b>38 217</b>	<b>42 318</b>		
<b>Total Capricorn Municipalities</b>	<b>45 000</b>	<b>55 000</b>	<b>60 000</b>	<b>60 000</b>	<b>3 000</b>	<b>3 000</b>	<b>3 000</b>	<b>3 000</b>	<b>4 000</b>	<b>6 000</b>	<b>5 000</b>					<b>79 727</b>	<b>80 202</b>	<b>85 111</b>		
B LIM361 Thbarazmbi																	4 020	2 617	2 718	
B LIM362 Lephalele																	17 569	12 617	12 718	
B LIM364 Moskopong																	3 868	2 917	3 119	
B LIM365 Mosimolle																	4 036	2 617	2 718	
B LIM366 Bela-Bela																	4 657	2 617	2 719	
B LIM367 Mogaakwena																	14 549	12 617	2 718	
<b>Total Waterberg Municipalities</b>	<b>21 000</b>	<b>20 000</b>	<b>20 000</b>	<b>5 000</b>					<b>4 000</b>	<b>5 000</b>	<b>5 000</b>					<b>51 883</b>	<b>38 219</b>	<b>29 028</b>		
B LIM471 Epiram Mogale																	3 813	2 617	2 718	
B LIM472 Elias Moseletshe																	3 721	2 617	2 718	
B LIM473 Makudathanga																	3 566	2 617	2 718	
B LIM474 Fetakgomo																	3 786	7 917	8 118	
B LIM475 Greater Tlohas																	2 898	2 617	2 718	
C DC37 Sekake District Municipality																	25 050	2 617	25 318	
<b>Total Sekake District Municipality</b>	<b>20 000</b>	<b>25 000</b>	<b>25 000</b>	<b>50 000</b>														<b>44 434</b>	<b>45 062</b>	<b>71 305</b>
<b>Total Limpopo Municipalities</b>	<b>146 000</b>	<b>190 000</b>	<b>235 000</b>	<b>235 000</b>	<b>3 000</b>	<b>3 000</b>	<b>3 000</b>	<b>3 000</b>	<b>16 000</b>	<b>29 000</b>	<b>30 000</b>					<b>290 797</b>	<b>300 910</b>	<b>350 745</b>		

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

Category	Municipality	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant		Integrated City Development Grant		SUB-TOTAL: CURRENT			
		2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)		
<b>MPUMALANGA</b>															
B	MP301		15 000										21 639	17 617	2 718
B	MP302												3 678	2 617	2 718
B	MP303												5 439	2 617	2 719
B	MP304												6 088	2 617	2 718
B	MP305												3 724	2 617	2 719
B	MP306												4 169	2 917	3 118
B	MP307					26 000	32 500	35 000					30 605	35 117	37 718
C	DC30 - Gert Sibande District Municipality			3 000	7 000								6 771	9 217	9 318
	<b>Total: Gert Sibande Municipalities</b>	<b>15 000</b>	<b>15 000</b>	<b>29 000</b>	<b>39 500</b>	<b>42 000</b>							<b>82 113</b>	<b>75 536</b>	<b>63 746</b>
B	MP311												4 357	2 617	2 718
B	MP312												4 980	2 617	2 718
B	MP313							5 000					3 239	2 617	2 718
B	MP314												3 299	2 617	2 718
B	MP315	10 000	8 000	5 000									16 299	16 217	7 718
B	MP316	15 000	10 000										20 940	12 617	2 718
C	DC31 - Nkangala District Municipality												4 305	2 217	2 318
	<b>Total: Nkangala Municipalities</b>	<b>25 000</b>	<b>18 000</b>	<b>5 000</b>				<b>5 000</b>					<b>59 081</b>	<b>36 219</b>	<b>29 026</b>
B	MP321												4 191	2 617	2 718
B	MP322												23 574	12 617	17 718
B	MP323												4 329	2 617	2 719
B	MP324												19 985	17 617	17 718
B	MP325												24 726	22 617	42 718
C	DC32 - Ehlanzeni District Municipality												5 321	2 467	2 518
	<b>Total: Ehlanzeni Municipalities</b>	<b>47 000</b>	<b>45 000</b>	<b>70 000</b>									<b>82 126</b>	<b>60 552</b>	<b>86 109</b>
	<b>Total: Mpumalanga Municipalities</b>	<b>87 000</b>	<b>78 000</b>	<b>75 000</b>	<b>39 500</b>	<b>42 000</b>							<b>223 320</b>	<b>172 107</b>	<b>178 881</b>

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

Category	Water Services Operating Subsidy Grant		Infrastructure Skills Development Grant		Energy, Efficiency and Demand Side Management Grant		Municipal Human Settlements Capacity Grant		Integrated City Development Grant		SUB-TOTAL - CURRENT	
	2014/15 (R'000)	2013/16 (R'000)	2014/15 (R'000)	2013/16 (R'000)	2014/15 (R'000)	2013/16 (R'000)	2014/15 (R'000)	2013/16 (R'000)	2014/15 (R'000)	2013/16 (R'000)	2014/15 (R'000)	2013/16 (R'000)
<b>Municipality</b>												
<b>NORTHERN CAPE</b>												
B NC061 Richtersveld											3 734	2 917
B NC062 Nama Khoi											3 534	2 617
B NC064 Kamiesberg											3 734	2 917
B NC065 Rietann											4 042	2 917
B NC066 Karoo Hoogland											3 734	2 917
B NC067 Kalliedra											3 734	2 917
C DC6 Namaqualand District Municipality											3 184	2 317
<b>Total: Northern Cape Municipalities</b>											<b>25 696</b>	<b>19 419</b>
B NC071 Ubungu											3 734	2 917
B NC072 Oranienburg											3 734	2 917
B NC073 Embalajeni											3 534	2 617
B NC074 Karasberg											3 734	2 917
B NC075 Renosterberg											3 734	2 917
B NC076 Theunshulle											3 734	2 917
B NC077 Siyabamba											3 734	2 917
B NC078 Sivanama											3 734	2 917
C DC7 Pixley Ka Seme District Municipality											3 184	2 317
<b>Total: Pixley Ka Seme Municipalities</b>											<b>32 856</b>	<b>25 253</b>
B NC081 Mier											3 734	2 917
B NC082 Kai Garib											4 108	2 917
B NC083 //Kara Hais					4 000						7 549	2 617
B NC084 !Kheis											3 734	2 917
B NC085 Tsamabane											3 734	2 917
B NC086 Kgatelopele											3 734	2 917
C DC8 Z.F. Mqhekezuluze District Municipality					4 000						3 184	2 317
<b>Total: Siyanda Municipalities</b>					<b>4 000</b>						<b>29 777</b>	<b>19 419</b>
B NC091 Sol Plaatje			2 500	2 500							10 364	5 117
B NC092 Dikgatlong								4 815			3 926	2 917
B NC093 Magereng											4 082	2 917
B NC094 Phokwane	20 000	25 000									23 749	27 617
C DC9 Frances Baard District Municipality			2 500	2 500							3 190	2 319
<b>Total: Frances Baard Municipalities</b>	<b>20 000</b>	<b>25 000</b>	<b>2 500</b>	<b>2 500</b>	<b>2 500</b>	<b>2 500</b>		<b>4 815</b>			<b>45 311</b>	<b>40 387</b>
B NC451 Joe Mafeking	10 000	15 000									14 603	17 617
B NC452 Ga-Segonyana	7 000	7 500									10 114	10 219
B NC453 Gungahama			2 500	4 000							5 634	6 617
C DC45 John Tsamane District Municipality			2 500	4 000							5 634	6 617
<b>Total: John Tsamane District Municipality</b>	<b>17 000</b>	<b>22 500</b>	<b>2 500</b>	<b>4 000</b>	<b>4 000</b>	<b>5 025</b>					<b>34 255</b>	<b>36 568</b>
<b>Total: Northern Cape Municipalities</b>	<b>37 000</b>	<b>47 500</b>	<b>22 500</b>	<b>22 500</b>	<b>7 525</b>	<b>7 525</b>	<b>4 000</b>	<b>4 815</b>			<b>167 895</b>	<b>141 446</b>







**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	Municipality	Municipal Infrastructure Grant		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)		Public Transport Infrastructure Grant		Rural Households Infrastructure Grant	
		2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>EASTERN CAPE</b>											
A	BUF Buffalo City										
A	NMA Nelson Mandela Bay										
B	EC101 Camdeboo	13 125	13 427								
B	EC102 Blue Crane Route	15 891	14 075								
B	EC103 Ikwezi	8 002	7 862								
B	EC104 Makana	25 298	23 889								
B	EC105 Ndlambe	25 799	26 710								
B	EC106 Sundays River Valley	24 147	25 069								
B	EC107 Baviaans	9 898	8 910								
B	EC108 Kouga	29 832	31 067								
B	EC109 Kou-Kamma	14 765	15 123								
C	DC10 Cacadu District Municipality										
	<b>Total Cacadu Municipalities</b>	<b>164 757</b>	<b>166 132</b>								
B	EC121 Mbitshie	54 027	56 866								
B	EC122 Mquma	60 013	62 760								
B	EC123 Great Kei	12 815	13 148								
B	EC124 Amathlathi	31 235	33 932								
B	EC126 Ngqushwa	22 755	23 676								
B	EC127 Nkomkobe	32 207	33 721								
B	EC128 Nxuba	9 451	9 608								
C	DC12 Anathole District Municipality	425 764	445 210								
	<b>Total Anathole Municipalities</b>	<b>648 267</b>	<b>677 590</b>								
B	EC131 Inxuba Yethemba	15 214	15 811								
B	EC132 Tsobana	12 359	12 773								
B	EC133 Inxwanya	9 153	9 360								
B	EC134 Lukanji	37 591	39 324								
B	EC135 Insika Yethu	38 856	40 729								
B	EC136 Emahlilani	30 970	32 508								
B	EC137 Engqobo	35 804	37 639								
B	EC138 Sakshizawe	17 464	18 124								
C	DC13 Chris Hani District Municipality	277 977	278 212								
	<b>Total Chris Hani Municipalities</b>	<b>475 388</b>	<b>484 480</b>								
B	EC141 Elandini	36 485	38 335								
B	EC142 Senqu	35 838	37 597								
B	EC143 Maleiswai	12 029	12 255								
B	EC144 Gariep	10 976	11 253								
C	DC14 Joe Gqabi District Municipality	151 469	156 692								
	<b>Total Joe Gqabi Municipalities</b>	<b>246 797</b>	<b>256 132</b>								
B	EC153 Ngqura Hill	50 594	53 198								
B	EC154 Port St. Johns	31 998	33 571								
B	EC155 Nyandeni	56 324	59 368								
B	EC156 Mlontolo	40 675	42 579								
B	EC157 King Sabata Dalindyebo	80 071	84 480								
C	DC15 O.R. Tambo District Municipality	604 371	626 208								
	<b>Total O.R. Tambo Municipalities</b>	<b>864 033</b>	<b>899 404</b>								
B	EC441 Matatiele	45 759	48 086								
B	EC442 Unzinyubu	43 294	45 277								
B	EC443 Mbizana	44 992	47 216								
B	EC444 Ntabankulu	25 577	26 617								
C	DC44 Alfred Nzo District Municipality	357 363	371 871								
	<b>Total Alfred Nzo Municipalities</b>	<b>516 985</b>	<b>539 067</b>								
	<b>Total Eastern Cape Municipalities</b>	<b>2 916 227</b>	<b>3 022 805</b>	<b>1 502 152</b>	<b>1 558 602</b>	<b>1 647 400</b>	<b>1 711 406</b>	<b>100 000</b>	<b>234 000</b>	<b>250 000</b>	<b>4 000</b>

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

Category	Municipal Infrastructure Grant		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)		Public Transport Infrastructure Grant		Rural Households Infrastructure Grant	
	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>FREE STATE</b>										
A MAN Mangung			654 406	680 907	5 000	16 878	17 744	30 000		
B FS161 Letsameg	17 254	17 203								
B FS162 Kopanong	20 080	20 651								
B FS163 Mookare	17 462	18 009								
B FS164 Naledi	13 406	13 390								
C DC16 Xhariep District Municipality										
<b>Total: Xhariep Municipalities</b>	<b>68 202</b>	<b>69 253</b>								
B FS181 Masforyana	28 731	24 837								
B FS182 Tokologo	16 918	16 249								
B FS183 Tselopole	23 703	16 186								
B FS184 Matjhabeng	156 246	115 789								
B FS185 Nala	43 248	28 999								
C DC18 Lejweletsova District Municipality										
<b>Total: Lejweletsova Municipalities</b>	<b>268 846</b>	<b>201 147</b>								
B FS191 Sesoato	59 660	46 378								
B FS192 Dilabeng	40 410	37 764								
B FS193 Nkerana	26 572	24 837								
B FS194 Matatse-Phofung	166 047	158 624							4 500	5 000
B FS195 Phumela	20 796	20 627								
B FS196 Mantsoa	21 578	19 578								
C DC19 Thabo Mofutsanyana District Municipality										
<b>Total: Thabo Mofutsanyana Municipalities</b>	<b>335 063</b>	<b>307 808</b>								<b>4 500</b>
B FS201 Mochaka	38 123	39 250								
B FS203 Nwabe	39 881	41 007								
B FS204 Metsimaholo	42 139	43 610								
B FS205 Mafube	21 400	21 985								
C DC20 Ficksburg District Municipality										
<b>Total: Ficksburg District Municipalities</b>	<b>141 543</b>	<b>145 852</b>								
<b>Total: Free State Municipalities</b>	<b>813 654</b>	<b>724 060</b>	<b>654 406</b>	<b>680 907</b>	<b>5 000</b>	<b>16 878</b>	<b>17 744</b>	<b>30 000</b>	<b>4 500</b>	<b>5 000</b>
<b>GAUTENG</b>										
A ECU Ekurhuleni										
A JHB City of Johannesburg			1 804 532	1 868 279	50 000	80 739	84 883	250 000	370 000	
A TSH City of Tshwane			1 695 189	1 755 074	48 461	60 554	63 662	829 571	930 412	
B GT421 Emfihleni	157 727	164 648			1 601 993	80 739	84 883	800 000	812 300	
B GT422 Midvaal	29 836	31 080								
B GT423 Lesedi	25 037	25 843								
C DC42 Sedibeng District Municipality										
<b>Total: Sedibeng Municipalities</b>	<b>212 600</b>	<b>221 571</b>			<b>6 365</b>	<b>10 737</b>	<b>11 287</b>			
B GT481 Morgate City	95 880	104 398								
B GT482 Randfontein	35 567	36 917								
B GT483 Westonrand	51 342	46 800								
B GT484 Meritfontein City	57 929	59 023								
C DC48 West Rand District Municipality										
<b>Total: West Rand Municipalities</b>	<b>240 718</b>	<b>240 077</b>			<b>20 000</b>	<b>14 237</b>	<b>15 067</b>			
<b>Total: Gauteng Municipalities</b>	<b>453 318</b>	<b>461 648</b>	<b>4 969 171</b>	<b>5 144 714</b>	<b>5 417 384</b>	<b>247 006</b>	<b>259 782</b>	<b>1 947 142</b>	<b>2 050 693</b>	<b>2 112 712</b>





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

Category	Municipality	Municipal Infrastructure Grant		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital Grant)		Public Transport Infrastructure Grant		Rural Households Infrastructure Grant	
		2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>LIMPOPO</b>											
B	LIM331 Greater Gyani	56 046	59 216	61 832							
B	LIM332 Greater Lenba	53 440	56 218	58 687							
B	LIM333 Greater Tzaneen	87 083	92 085	96 286							
B	LIM334 Ba-Pfalaborwa	29 769	31 314	32 583			21 951	4 400	4 752		
B	LIM335 Maraleng	25 309	26 046	27 062			3 500	3 780			
C	DC33 Mopani District Municipality	429 490	452 363	473 944							
	<b>Total Mopani Municipalities</b>	<b>681 137</b>	<b>717 242</b>	<b>750 394</b>			<b>21 951</b>	<b>7 900</b>	<b>8 532</b>		
B	LIM341 Musina	18 943	19 808	20 522							
B	LIM342 Mutale	24 058	25 268	26 246							
B	LIM343 Thulamela	126 460	134 146	140 376			15 000				
B	LIM344 Mkhado	107 087	113 376	118 694							
C	DC34 Vhembe District Municipality	486 510	512 524	537 007							
	<b>Total Vhembe Municipalities</b>	<b>763 058</b>	<b>805 122</b>	<b>842 755</b>			<b>15 000</b>				
B	LIM351 Bloberg	38 408	40 265	41 966							
B	LIM352 Arang	32 157	33 665	35 048							
B	LIM353 Motmale	28 943	30 277	31 496							
B	LIM354 Polokwane	266 671	280 198	293 473			5 000	10 737	11 288	190 000	
B	LIM355 Lepelle-Krumpi	49 920	52 617	54 914							
C	DC35 Capricorn District Municipality	252 059	264 083	276 581							
	<b>Total Capricorn Municipalities</b>	<b>668 158</b>	<b>701 105</b>	<b>733 478</b>			<b>5 000</b>	<b>10 737</b>	<b>11 288</b>	<b>190 000</b>	<b>4 500</b>
B	LIM361 Thebuszibi	32 926	29 423	30 601							
B	LIM362 Lephalale	35 992	37 079	38 627							
B	LIM364 Moskgong	15 766	16 271	16 815							
B	LIM365 Modimolle	32 364	23 060	23 931							
B	LIM366 Bela-Bela	22 193	23 157	24 033							
B	LIM367 Mopani	138 849	144 672	151 410							
C	DC36 Waterberg District Municipality										
	<b>Total Waterberg Municipalities</b>	<b>278 090</b>	<b>273 662</b>	<b>285 417</b>							
B	LIM471 Ephraim Mogale	31 070	32 689	34 025							
B	LIM472 Elias Mosekedi	50 840	53 601	55 945							
B	LIM473 Makhohlanngana	57 452	60 520	63 198							
B	LIM474 Ficksburg	21 388	22 287	23 121							
B	LIM475 Greater Tlosetse	61 745	65 076	67 974			10 000	3 500	3 780		
C	DC47 Sekhukhune District Municipality	451 120	471 627	494 137							
	<b>Total Sekhukhune Municipalities</b>	<b>673 615</b>	<b>705 800</b>	<b>738 400</b>			<b>10 000</b>	<b>3 500</b>	<b>3 780</b>	<b>4 500</b>	<b>4 500</b>
	<b>Total Limpopo Municipalities</b>	<b>3 064 058</b>	<b>3 202 931</b>	<b>3 350 444</b>			<b>51 951</b>	<b>22 137</b>	<b>23 600</b>	<b>190 000</b>	<b>9 000</b>



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

Category	Municipality	Municipal Infrastructure Grant		Urban Settlements Development Grant		Neighbourhood Development Grant (Capital Grant)		Public Transport Infrastructure Grant		Rural Households Infrastructure Grant	
		2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)	2018/19 (R'000)	2019/20 (R'000)
<b>MPUMALANGA</b>											
B	MP301 Albert Luthuli	81 407	88 766								
B	MP302 Moshagwa	49 076	53 695								
B	MP303 Mkhondo	72 765	79 846								
B	MP304 Pixley Ka Seme	25 220	26 865								
B	MP305 Lekwa	33 994	28 217								
B	MP306 Dipaleseng	17 985	19 102								
B	MP307 Govan Mbeki	71 781	56 416								
C	DC30 Gert Sibande District Municipality										
	<b>Total: Gert Sibande Municipalities</b>	<b>352 228</b>	<b>341 711</b>								
B	MP311 Victor Khanye	23 570	24 388								
B	MP312 Enahlahleni	111 477	116 945								
B	MP313 Steve Tshwete	46 283	48 541			10 736	4 800	11 288	5 184		
B	MP314 Enkhauzeni	17 232	17 888								
B	MP315 Thembelele Hani	115 285	120 322								
B	MP316 Dr JS Moroka	116 875	121 952								
C	DC31 Nkangala District Municipality										
	<b>Total: Nkangala Municipalities</b>	<b>430 722</b>	<b>450 036</b>			<b>15 536</b>		<b>16 472</b>			
B	MP321 Thaba Chweu	45 004	47 377								
B	MP322 Mbonabela	286 043	302 750			5 000		11 288	195 191	170 000	
B	MP323 Unjini	29 824	31 090								
B	MP324 Nkomazi	210 291	222 463							4 500	4 000
B	MP325 Bushbuckridge	353 138	371 102					1 080			
C	DC32 Ehlanzeni District Municipality										
	<b>Total: Ehlanzeni Municipalities</b>	<b>924 300</b>	<b>974 782</b>	<b>5 000</b>		<b>11 736</b>		<b>12 368</b>	<b>195 191</b>	<b>170 000</b>	<b>4 500</b>
	<b>Total: Mpumalanga Municipalities</b>	<b>1 707 250</b>	<b>1 766 529</b>	<b>5 000</b>		<b>27 272</b>		<b>28 840</b>	<b>195 191</b>	<b>170 000</b>	<b>4 500</b>

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

Category	Municipality		Municipal Infrastructure Grant		Urban Settlements Development Grant		Neighbourhood Development Grant (Capital Grant)		Public Transport Infrastructure Grant		Rural Households Infrastructure Grant	
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
<b>NORTHERN CAPE</b>												
B		7 182	7 276	7 386								
B	NC061	Rehlersveld	13 979	14 341	14 792							
B	NC062	Nama Khoi	9 129	7 465	7 605							
B	NC064	Kamiesberg	9 953	9 389	9 810							
B	NC065	Hantam	8 890	8 036	8 183							
B	NC066	Karoo Hoogland	8 376	7 715	7 846							
B	NC067	Klaar-Ma										
C	DC6	Namakwa District Municipality										
		<b>Total: Namakwa Municipalities</b>	<b>57 509</b>	<b>54 442</b>	<b>55 622</b>							
B	NC071	Uburu	9 655	9 839	10 073							
B	NC072	Unsoobomvu	11 148	11 319	11 624							
B	NC073	Enthambeni	12 608	11 969	12 305							
B	NC074	Kareeberg	7 848	7 958	8 101							
B	NC075	Rensosterberg	7 741	7 415	7 531							
B	NC076	Thembelille	10 598	9 334	9 543							
B	NC077	Syathamba	9 708	9 702	9 929							
B	NC078	Syancuma	16 023	16 303	16 848							
C	DC7	Piketia Ka Seme District Municipality										
		<b>Total: Piketia Ka Seme Municipalities</b>	<b>85 329</b>	<b>83 839</b>	<b>85 954</b>							
B	NC081	Mier	8 892	6 799	6 886							
B	NC082	Kai Garib	21 178	21 958	22 776							
B	NC083	//Klara Hais	22 032	22 763	23 620							
B	NC084	Kheis	10 834	10 542	10 809							
B	NC085	Tsamabane	14 760	15 264	15 760							
B	NC086	Kgatelopele	7 843	7 962	8 104							
C	DC8	Z.F. Mgcawu District Municipality										
		<b>Total: Siyanda Municipalities</b>	<b>85 539</b>	<b>85 288</b>	<b>87 955</b>							
B	NC091	Sai Plaatje	47 211	48 779	50 890							
B	NC092	Dikgatlong	20 010	18 980	19 654			5 000		10 736	11 288	
B	NC093	Magareng	10 787	11 001	11 290							
B	NC094	Phekwanne	24 836	25 700	26 698							
C	DC9	Frances Baard District Municipality										
		<b>Total: Frances Baard Municipalities</b>	<b>102 844</b>	<b>104 460</b>	<b>108 532</b>			<b>5 000</b>		<b>10 736</b>	<b>11 288</b>	
B	NC451	Joe Morolong	57 058	59 366	61 989							
B	NC452	Ga-Segonyana	51 027	52 924	55 236							
B	NC453	Gamagara	11 638	12 032	12 371							
C	DC45	John Taolo Gaetsewe District Municipality										
		<b>Total: John Taolo Gaetsewe Municipalities</b>	<b>119 723</b>	<b>124 322</b>	<b>129 596</b>							
		<b>Total: Northern Cape Municipalities</b>	<b>450 944</b>	<b>452 351</b>	<b>467 659</b>			<b>5 000</b>		<b>10 736</b>	<b>11 288</b>	





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

Category	Municipality		Rural Roads Asset Management Systems Grant		Integrated National Electrification Programme (Municipal) Grant		Municipal Water Infrastructure Grant		Municipal Disaster Recovery Grant		SUB-TOTAL: INFRASTRUCTURE	
	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>EASTERN CAPE</b>												
A	BUF	Buffalo City	27 000	27 000	12 000	12 000					705 289	744 336
A	NMA	Nelson Mandela Bay	18 000	28 000	18 000	18 000					965 324	1 180 698
B	ECU01	Camdeboo	500	10 000	5 000	5 000					13 625	23 427
B	ECU02	Blue Crane Route									15 891	14 075
B	ECU03	Iwezi		5 000	4 000	4 000					8 002	12 862
B	ECU04	Makana									23 298	23 889
B	ECU05	Ndlambe									25 799	26 710
B	ECU06	Sundays River Valley									24 147	27 069
B	ECU07	Baviaans	900	2 000	2 000	2 000					10 798	13 910
B	ECU08	Kouga	3 000	10 000	10 000	10 000					35 817	41 067
B	ECU09	Kou-Kamma									20 391	15 123
C	DC10	Cacadu District Municipality	2 200	2 261	2 261	2 261					2 110	2 200
		<b>Total: Cacadu Municipalities</b>	<b>2 110</b>	<b>2 200</b>	<b>2 261</b>	<b>2 261</b>					<b>179 878</b>	<b>2 100 332</b>
B	ECI21	Mbashe		2 000	21 000	25 000					56 027	77 866
B	ECI22	Mqushu		5 400	20 000	25 000					65 413	82 760
B	ECI23	Great Kei									12 815	13 148
B	ECI24	Amahlathi									31 235	32 601
B	ECI26	Nqushwa									22 755	23 676
B	ECI27	Nkonkobe			4 300	4 300					32 207	37 921
B	ECI28	Nxuba									9 451	9 608
C	DC12	Amathole District Municipality	2 778	2 874	2 874	2 874					4 284 472	4 479 988
		<b>Total: Amathole Municipalities</b>	<b>2 708</b>	<b>2 778</b>	<b>2 874</b>	<b>2 874</b>					<b>658 375</b>	<b>725 568</b>
B	ECI31	Inxuba Yethemba									15 214	15 811
B	ECI32	Tsolwana									12 359	12 773
B	ECI33	Inkwenca									9 153	9 360
B	ECI34	Ludenji									40 591	39 324
B	ECI35	Intsika Yehu									44 856	66 929
B	ECI36	Emahlilani									40 970	52 508
B	ECI37	Engcobo									43 804	57 639
B	ECI38	Sakhiszwe									22 464	18 124
C	DC13	Chris Hani District Municipality	3 060	3 165	3 165	3 165					333 484	405 880
		<b>Total: Chris Hani Municipalities</b>	<b>2 979</b>	<b>3 060</b>	<b>3 165</b>	<b>3 165</b>					<b>562 895</b>	<b>678 348</b>
B	ECI41	Elundini									36 485	38 335
B	ECI42	Senqu									35 838	37 597
B	ECI43	Maleswazi									12 029	12 255
B	ECI44	Gariep									10 976	11 253
C	DC14	Joe Gqabi District Municipality	2 084	2 124	2 204	2 204					173 562	183 827
		<b>Total: Joe Gqabi Municipalities</b>	<b>2 084</b>	<b>2 124</b>	<b>2 204</b>	<b>2 204</b>					<b>268 890</b>	<b>283 267</b>
B	ECI53	Nguza Hill									55 594	78 198
B	ECI54	Port St Johns									31 998	33 571
B	ECI55	Nyandeni									60 324	79 368
B	ECI56	Mlontolo									44 675	62 579
B	ECI57	King Sabata Dalindyebo									95 371	114 480
C	DC15	O.R.Tambo District Municipality	2 686	2 737	2 841	2 841					696 499	753 248
		<b>Total: O.R.Tambo Municipalities</b>	<b>2 686</b>	<b>2 737</b>	<b>2 841</b>	<b>2 841</b>					<b>984 461</b>	<b>1 121 444</b>
B	EC441	Matatiele									65 059	73 086
B	EC442	Umtzvwabu									68 294	70 277
B	EC443	Nbizana									69 392	83 816
B	EC444	Ntabankulu									55 577	53 117
C	DC44	Alfred Nzo District Municipality	2 104	2 144	2 225	2 225					359 465	374 015
		<b>Total: Alfred Nzo Municipalities</b>	<b>2 104</b>	<b>2 144</b>	<b>2 225</b>	<b>2 225</b>					<b>617 789</b>	<b>654 311</b>
		<b>Total: Eastern Cape Municipalities</b>	<b>14 671</b>	<b>15 043</b>	<b>15 570</b>	<b>15 570</b>					<b>4 942 901</b>	<b>5 588 304</b>
												<b>5 811 450</b>

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

Category	Rural Roads Asset Management Systems Grant			Integrated National Electrification Programme (Municipal) Grant			Municipal Water Infrastructure Grant			Municipal Disaster Recovery Grant			SUB-TOTAL: INFRASTRUCTURE		
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>FREE STATE</b>															
<b>Municipality</b>															
A MAN Mangung				30 200	23 000	26 000							719 606	720 785	766 932
B FS161 Letsameg					1 000	1 000							17 254	18 203	18 792
B FS162 Kopanong					5 000	5 000							20 080	25 651	26 406
B FS163 Mphokare					5 000	5 000							17 462	23 009	23 637
B FS164 Naledi					5 000	5 000							13 406	18 390	18 795
C DC16 Xhariep District Municipality	1 852	1 892	1 961										1 852	1 892	1 961
<b>Total: Xhariep Municipalities</b>	<b>1 852</b>	<b>1 892</b>	<b>1 961</b>		<b>16 000</b>	<b>16 000</b>							<b>70 054</b>	<b>87 145</b>	<b>89 591</b>
B FS181 Masikoyana					8 000	5 000							28 731	31 924	29 837
B FS182 Tokologo				2 000	6 000	6 000							18 918	22 249	22 792
B FS183 Tswelopele				4 200	5 000	5 000							23 703	21 186	21 726
B FS184 Matjhabeng				2 000	5 000	5 000							160 446	120 789	126 133
B FS185 Nala				2 000	2 000	2 000							45 248	30 999	35 157
C DC18 Lejweletswa District Municipality	1 775	2 105	2 185										1 775	2 105	2 185
<b>Total: Lejweletswa Municipalities</b>	<b>1 775</b>	<b>2 105</b>	<b>2 185</b>	<b>8 200</b>	<b>26 000</b>	<b>26 000</b>							<b>278 821</b>	<b>229 252</b>	<b>237 830</b>
B FS191 Seisoto					500	500							59 660	46 878	48 874
B FS192 Dithabeng					2 000	2 000							40 410	39 764	41 345
B FS193 Nkomoana				5 300	5 000	5 000							31 872	29 837	30 794
B FS194 Madut-a-Phouteng				17 000	25 000	25 000							187 547	188 624	191 034
B FS195 Phumelela				8 000	14 000	15 000							28 796	34 627	36 381
B FS196 Mantsopa				1 000	2 000	2 000							22 578	21 578	22 281
C DC19 Thabo Mofutsanyana District Municipality	1 885	2 225	2 307										1 885	2 225	2 307
<b>Total: Thabo Mofutsanyana Municipalities</b>	<b>1 885</b>	<b>2 225</b>	<b>2 307</b>	<b>31 300</b>	<b>48 500</b>	<b>49 500</b>							<b>372 748</b>	<b>363 533</b>	<b>373 016</b>
B FS201 Moshaka				5 000	9 000	7 000							43 123	48 250	47 903
B FS203 Ngwathe				7 000	6 000	6 000							44 881	47 007	48 744
B FS204 Metsimholo				3 000	10 000	15 000							49 139	63 610	66 472
B FS205 Matibe				2 119	3 000	3 000							24 400	31 985	37 805
C DC20 Fesile Dabi District Municipality	1 709	2 039	2 119										1 709	2 039	2 119
<b>Total: Fesile Dabi Municipalities</b>	<b>1 709</b>	<b>2 039</b>	<b>2 119</b>	<b>20 000</b>	<b>45 000</b>	<b>49 000</b>							<b>162 252</b>	<b>192 891</b>	<b>205 043</b>
<b>Total: Free State Municipalities</b>	<b>7 221</b>	<b>8 261</b>	<b>8 572</b>	<b>89 700</b>	<b>158 500</b>	<b>166 500</b>							<b>1 604 481</b>	<b>1 593 606</b>	<b>1 670 412</b>
<b>GAUTENG</b>															
A EKV Ekurhuleni				61 000	50 000	40 000							2 165 532	2 349 018	2 462 181
A JHB City of Johannesburg				31 000	50 000	40 000							2 604 221	2 766 321	2 882 167
A TSH City of Tshwane				32 000	30 000	40 000							2 519 621	2 432 100	2 539 176
B GT421 Enliteni					54 000	15 000							162 727	229 385	198 636
B GT422 Midvaal					5 000	10 000							29 836	36 000	42 338
B GT423 Lesedi					15 000	20 000							32 027	40 683	46 849
C DC42 Sedibeng District Municipality	2 080	2 350	2 350										1 365	3 080	3 320
<b>Total: Sedibeng Municipalities</b>	<b>2 080</b>	<b>2 350</b>	<b>2 350</b>	<b>7 000</b>	<b>74 000</b>	<b>45 000</b>							<b>225 965</b>	<b>308 388</b>	<b>290 173</b>
B GT481 Mogale City					5 000	5 000							115 880	115 560	117 685
B GT482 Randamen					5 000	13 700							35 567	41 017	51 157
B GT483 Westmead					12 000	20 000							58 343	58 800	68 816
B GT484 Westmead City					6 000	20 000							63 929	66 537	70 023
C DC48 West Rand District Municipality	2 204	2 484	2 484										2 204	5 704	6 264
<b>Total: West Rand Municipalities</b>	<b>2 204</b>	<b>2 484</b>	<b>2 484</b>	<b>13 000</b>	<b>32 000</b>	<b>54 700</b>							<b>273 718</b>	<b>288 518</b>	<b>322 945</b>
<b>Total: Gauteng Municipalities</b>	<b>4 284</b>	<b>4 834</b>	<b>4 834</b>	<b>144 000</b>	<b>236 000</b>	<b>219 700</b>							<b>7 988 457</b>	<b>8 144 345</b>	<b>8 496 642</b>

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

Category	Rural Roads Asset Management Systems Grant			Integrated National Electrification Programme (Municipal) Grant			Municipal Water Infrastructure Grant			Municipal Disaster Recovery Grant			SUB-TOTAL: INFRASTRUCTURE			
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	
<b>KWAZULU-NATAL</b>																
<b>Municipality</b>																
A				15 000	20 000	22 000								2 503 419	2 691 508	2 838 146
B	KZN211	Vukwazi		5 000	9 000	9 000								22 999	27 701	28 362
B	KZN212	Umdoni		6 000	10 000	10 000								19 367	20 216	25 950
B	KZN213	Umtambo		3 000	3 000	3 000								39 370	44 828	46 267
B	KZN214	uMuzwabantu		3 000	3 000	3 000								21 896	22 855	25 717
B	KZN215	Ezangweni		6 000	10 000	10 000								15 987	14 464	17 921
B	KZN216	Hliscas Coast	2 430	2 400	2 400	2 400								53 892	60 590	62 789
C	DC21	Ugu District Municipality	2 430	2 490	2 490	2 490								275 119	374 751	396 729
	<b>Total Ugu Municipalities</b>		<b>2 430</b>	<b>2 490</b>	<b>2 490</b>	<b>2 490</b>								<b>446 630</b>	<b>505 405</b>	<b>603 735</b>
B	KZN221	uMshwathi		3 000	6 000	6 000								28 698	32 090	34 050
B	KZN222	uMgeni		5 000	8 000	8 000								21 413	30 428	31 268
B	KZN223	Nqolana		3 000	5 000	5 000								16 791	22 171	21 226
B	KZN224	Impendle		3 000	3 000	3 000								14 736	17 317	22 463
B	KZN225	Nkomazi		3 000	3 000	3 000								287 885	466 483	475 402
B	KZN226	Nkambhini		5 000	9 000	9 000								21 351	28 092	26 552
B	KZN227	Richmond		8 000	8 000	8 000								17 493	25 153	24 782
B	KZN228	uMhlabisa		8 000	8 000	8 000								136 178	173 657	148 050
C	DC22	Umgungahlobo District Municipality	2 303	2 373	2 452	2 452								536 659	802 192	787 314
	<b>Total Umgungahlobo Municipalities</b>		<b>2 303</b>	<b>2 373</b>	<b>2 452</b>	<b>2 452</b>								<b>536 659</b>	<b>802 192</b>	<b>787 314</b>
B	KZN232	Enamabithi/Ladysmith		7 000	8 000	8 000								58 150	55 115	57 276
B	KZN233	Indaka		10 000	10 000	10 000								21 401	32 228	33 059
B	KZN234	Umtshozi		6 000	10 000	10 000								28 615	28 090	28 721
B	KZN235	Oxhambaba		6 000	12 000	12 000								32 537	39 689	40 783
B	KZN236	Imbaboze		8 000	8 000	8 000								22 787	31 709	32 611
C	DC23	Umtshinga District Municipality	2 315	2 355	2 446	2 446								183 728	191 246	199 420
	<b>Total Umtshinga Municipalities</b>		<b>2 315</b>	<b>2 355</b>	<b>2 446</b>	<b>2 446</b>								<b>347 248</b>	<b>378 577</b>	<b>387 940</b>
B	KZN241	Endumeni		8 000	10 000	10 000								23 383	24 043	25 432
B	KZN242	Nqutu		7 000	15 000	15 000								36 230	45 508	46 738
B	KZN244	Ntanga		8 000	10 000	13 000								44 513	48 303	51 045
B	KZN245	Umtsheni		12 000	30 000	38 000								37 656	56 013	65 845
C	DC24	Umtshayathi District Municipality	2 138	2 168	2 251	2 251								204 917	271 110	304 771
	<b>Total Umtshayathi Municipalities</b>		<b>2 138</b>	<b>2 168</b>	<b>2 251</b>	<b>2 251</b>								<b>346 689</b>	<b>446 865</b>	<b>495 777</b>
B	KZN252	Novesile		8 000	8 000	8 000								126 360	146 116	150 643
B	KZN253	Enadlangezwa		8 000	10 000	10 000								17 050	19 227	19 431
B	KZN254	Dundabazwe		8 000	10 000	10 000								20 432	21 240	22 024
C	DC25	Amajuba District Municipality	2 020	2 051	2 132	2 132								55 710	62 597	59 710
	<b>Total Amajuba Municipalities</b>		<b>2 020</b>	<b>2 051</b>	<b>2 132</b>	<b>2 132</b>								<b>219 542</b>	<b>249 180</b>	<b>251 808</b>

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

Category	Rural Roads Asset Management Systems Grant		Integrated National Electrification Programme (Municipal) Grant		Municipal Water Infrastructure Grant		Municipal Disaster Recovery Grant		SUB-TOTAL: INFRASTRUCTURE		
	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>Municipality</b>											
B			8 000	10 000					25 041	27 701	28 313
B	KZN261 eDunbe		12 000	15 000	10 000	10 000			38 789	43 089	44 203
B	KZN262 uPhingofo		9 000	9 000	9 000	9 000			43 158	44 883	46 373
B	KZN263 Abaqolisi		6 000	10 000	10 000	10 000			45 679	41 160	42 422
B	KZN265 Nononona		5 000	10 000	10 000	10 000			34 000	40 216	41 432
B	KZN266 Umtati								262 994	306 235	362 693
C	DC26 Zululand District Municipality	2 167	2 297			39 205	79 006	124 771			
	<b>Total: Zululand Municipalities</b>	<b>2 167</b>	<b>2 297</b>	<b>40 000</b>	<b>54 000</b>	<b>39 205</b>	<b>79 006</b>	<b>124 771</b>	<b>449 661</b>	<b>503 284</b>	<b>566 436</b>
B	KZN271 Umhlabiyalingana			9 000	9 000				32 490	43 126	44 531
B	KZN272 Jozini		7 000	10 000	10 000	10 000			41 916	46 536	48 058
B	KZN273 The Big 5 False Bay		7 000	8 000	8 000	8 000			18 156	19 486	19 798
B	KZN274 Hlabisa		8 000	12 000	12 000	12 000			21 902	26 441	26 897
B	KZN275 Muthatuba		1 500	10 000	10 500	10 500			31 024	41 043	42 799
C	DC27 Umkhanyakude District Municipality	2 440	2 584						212 460	221 185	226 345
	<b>Total: Umkhanyakude Municipalities</b>	<b>2 440</b>	<b>2 584</b>	<b>23 500</b>	<b>49 000</b>	<b>49 500</b>			<b>357 948</b>	<b>397 817</b>	<b>408 428</b>
B	KZN281 Mfolozi		5 000	8 000	8 000	8 000			28 452	32 583	33 527
B	KZN282 uMhlabuze		8 000	10 000	10 000	10 000			122 181	160 724	116 096
B	KZN283 Ntambanana		3 000	3 900	3 000	3 000			14 596	19 077	18 668
B	KZN284 uMlalazi		7 000	10 000	10 000	10 000			44 496	49 444	51 105
B	KZN285 Mthopjaneni		3 000	10 000	10 000	10 000			15 610	22 986	23 371
B	KZN286 Nkandla		4 000	8 000	8 000	8 000			25 582	30 366	31 204
C	DC28 uThungulu District Municipality	2 305	2 365			37 412	109 483	91 069	211 780	289 984	280 004
	<b>Total: Uthungulu Municipalities</b>	<b>2 305</b>	<b>2 447</b>	<b>27 000</b>	<b>49 900</b>	<b>56 262</b>	<b>160 365</b>	<b>98 990</b>	<b>462 697</b>	<b>605 164</b>	<b>553 975</b>
B	KZN291 Mandeni		9 000	10 000	10 000	10 000			62 334	49 539	51 363
B	KZN292 KwaDukuza		8 000	9 000	9 000	9 000			62 887	60 700	62 993
B	KZN293 Ndwebwe		8 000	8 000	8 000	8 000			46 936	38 155	39 320
B	KZN294 Maphumulo								21 070	29 862	30 676
C	DC29 iLembe District Municipality	2 120	2 160			39 000	209 154	102 032	226 105	404 226	306 251
	<b>Total: iLembe Municipalities</b>	<b>2 120</b>	<b>2 160</b>	<b>17 000</b>	<b>36 000</b>	<b>39 000</b>	<b>209 154</b>	<b>102 032</b>	<b>419 332</b>	<b>582 482</b>	<b>490 603</b>
B	KZN431 Ingwe		5 000	9 000	9 000	9 000			28 497	33 520	34 461
B	KZN432 KwaSani		5 000	8 000	8 000	8 000			7 478	7 556	7 679
B	KZN433 Greater Kokstad		8 000	12 000	12 000	12 000			21 545	24 990	25 569
B	KZN434 Ubuluwezwe		15 004	15 000	15 000	15 000			31 553	36 536	37 478
B	KZN435 Umzimkhulu								72 037	57 361	59 164
C	DC43 Harry Gwala District Municipality	2 044	2 084			22 800	43 500	109 118	216 372	246 318	316 216
	<b>Total: Siwonke Municipalities</b>	<b>2 044</b>	<b>2 084</b>	<b>33 004</b>	<b>44 000</b>	<b>22 800</b>	<b>43 500</b>	<b>109 118</b>	<b>377 482</b>	<b>406 281</b>	<b>480 567</b>
	<b>Total: KwaZulu-Natal Municipalities</b>	<b>22 272</b>	<b>22 754</b>	<b>23 592</b>	<b>472 900</b>	<b>263 622</b>	<b>862 146</b>	<b>777 437</b>	<b>6 466 307</b>	<b>7 628 755</b>	<b>7 863 729</b>



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

Category	Rural Roads Asset Management Systems Grant				Integrated National Electrification Programme (Municipal) Grant				Municipal Water Infrastructure Grant				Municipal Disaster Recovery Grant				SUB-TOTAL: INFRASTRUCTURE			
	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year			
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)
<b>LIMPOPO</b>																				
B	LM1331	Greater Giyani			10 000			10 000								66 046	69 216	69 832		
B	LM1332	Greater Letaba			6 000			40 000								53 440	56 218	58 687		
B	LM1333	Greater Tzaneen			9 000			6 000								115 034	136 485	126 038		
B	LM1334	Ba-Panlaborwa						6 000								38 769	40 814	46 363		
B	LM1335	Manabeng		2 117												26 409	26 882	27 062		
C	DC33	Mopani District Municipality		2 045												431 483	454 408	476 061		
		<b>Total: Mopani Municipalities</b>		<b>2 045</b>				<b>25 000</b>								<b>731 183</b>	<b>784 023</b>	<b>804 043</b>		
B	LM1341	Musina														18 943	19 808	20 522		
B	LM1342	Ntule														24 038	25 268	26 246		
B	LM1343	Tlulamela														186 460	179 146	180 376		
B	LM1344	Nkandabo		1 988				7 000								114 087	128 376	138 664		
C	DC34	Vhembe District Municipality		1 988				2 061								488 428	514 212	539 068		
		<b>Total: Vhembe Municipalities</b>		<b>1 988</b>				<b>52 000</b>								<b>832 006</b>	<b>867 110</b>	<b>904 816</b>		
B	LM1351	Bloemberg						3 000								41 408	43 765	51 966		
B	LM1352	Aganang														32 157	33 665	35 068		
B	LM1353	Ndlenole														28 943	30 277	31 406		
B	LM1354	Potlako						25 000								496 671	520 635	539 761		
B	LM1355	Lepele-Nkumpi														40 920	52 617	54 914		
C	DC35	Capricorn District Municipality		2 184				2 315								286 127	322 514	333 334		
		<b>Total: Capricorn Municipalities</b>		<b>2 184</b>				<b>28 000</b>								<b>985 221</b>	<b>1 003 274</b>	<b>1 046 519</b>		
B	LM1361	Thabazimbi														32 926	37 423	46 601		
B	LM1362	Lejalele						8 000								35 992	37 079	38 627		
B	LM1364	Mookgopong														15 766	16 271	16 815		
B	LM1365	Motimotse						5 000								37 366	31 060	28 931		
B	LM1366	Bela-Bela														22 193	23 157	24 033		
B	LM1367	Mooikwena						10 000								138 849	154 672	159 410		
C	DC36	Waterberg District Municipality		1 779				1 839								1 779	1 839	1 897		
		<b>Total: Waterberg Municipalities</b>		<b>1 779</b>				<b>5 000</b>								<b>284 869</b>	<b>301 501</b>	<b>316 314</b>		
B	LM1471	Ehleram Moyalet														31 070	32 689	34 025		
B	LM1472	Elias Mosealofi						8 000								50 840	61 601	55 945		
B	LM1473	Makhotlong														57 452	60 520	63 198		
B	LM1474	Fetakomo														21 388	22 287	23 121		
B	LM1475	Greater Tubatse														137 745	138 576	141 754		
C	DC47	Sekhukhune District Municipality		2 063				2 113								457 683	478 240	496 325		
		<b>Total: Sekhukhune Municipalities</b>		<b>2 063</b>				<b>66 000</b>								<b>756 178</b>	<b>793 913</b>	<b>814 368</b>		
		<b>Total: Limpopo Municipalities</b>		<b>9 969</b>				<b>176 000</b>								<b>3 539 457</b>	<b>3 749 821</b>	<b>3 886 060</b>		

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

Category	Municipality	Rural Roads Asset Management Systems Grant		Integrated National Electrification Programme (Municipal) Grant		Municipal Water Infrastructure Grant		Municipal Disaster Recovery Grant		SUB-TOTAL: INFRASTRUCTURE	
		2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/13 (R'000)	2015/16 (R'000)	2014/13 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>MPUMALANGA</b>											
B	MP301 Albert Luthuli			10 400	12 000	15 000				91 807	96 911
B	MP302 Msukaligwa			10 000	14 900	20 000				59 076	66 354
B	MP303 Mkhondo			5 000	9 900	15 000				77 765	86 301
B	MP304 Pixley Ka Seme			3 000	8 000	12 000				28 220	33 859
B	MP305 Lebva			1 500	3 000	5 000				35 494	31 217
B	MP306 Dipaleseng			1 500	4 500	8 000				19 485	22 953
B	MP307 Govan Mbeki				9 000	10 000				71 781	65 416
C	DC30 Gert Sibande District Municipality	2 063	2 133							2 063	2 133
	<b>Total: Gert Sibande Municipalities</b>	<b>2 063</b>	<b>2 133</b>	<b>31 400</b>	<b>61 300</b>	<b>85 000</b>				<b>385 691</b>	<b>405 144</b>
B	MP311 Victor Khanye			3 300	6 500	10 000				26 870	30 888
B	MP312 Emalahleni				14 900	20 000				111 477	142 581
B	MP313 Steve Tshwete				7 000	10 000				46 283	60 341
B	MP314 Emakhazeni				5 000	5 000				17 232	22 888
B	MP315 ThembeSile Hani				7 000	10 000				115 285	127 322
B	MP316 Dr JS Moroka	1 950	2 010		7 000	10 000				116 875	128 952
C	DC31 Nkangala District Municipality	1 950	2 010							1 950	2 010
	<b>Total: Nkangala Municipalities</b>	<b>1 950</b>	<b>2 010</b>	<b>3 300</b>	<b>47 400</b>	<b>65 000</b>				<b>435 972</b>	<b>514 982</b>
B	MP321 Thaba Chweu			1 000	6 500	10 000				46 004	53 877
B	MP322 Mbombela			10 000	20 000	25 000				496 234	453 703
B	MP323 Umpindi			5 300	13 000	14 000				56 124	152 816
B	MP324 Nkomazi			9 000	20 000	30 000				223 791	246 463
B	MP325 Busibuckridge			5 200	18 000	20 000				358 338	390 102
C	DC32 Ehlanzeni District Municipality	1 843	1 893							1 843	1 893
	<b>Total: Ehlanzeni Municipalities</b>	<b>1 843</b>	<b>1 893</b>	<b>30 500</b>	<b>77 500</b>	<b>99 000</b>	<b>21 000</b>	<b>108 726</b>	<b>114 488</b>	<b>1 182 334</b>	<b>1 298 854</b>
	<b>Total: Mpumalanga Municipalities</b>	<b>5 856</b>	<b>6 036</b>	<b>65 200</b>	<b>186 200</b>	<b>249 000</b>	<b>21 000</b>	<b>108 726</b>	<b>114 488</b>	<b>2 003 997</b>	<b>2 218 980</b>
											<b>2 415 966</b>

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

Category	Rural Roads Asset Management Systems Grant			Integrated National Electrification Programme (Municipal) Grant			Municipal Water Infrastructure Grant			Municipal Disaster Recovery Grant			SUB-TOTAL: INFRASTRUCTURE		
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>NORTHERN CAPE</b>															
B	NC061	Richersveld				2 000							7 182	7 276	9 386
B	NC062	Nama Khoi	1 000	5 000	5 000	2 000							14 979	19 341	19 792
B	NC064	Kamiesberg		2 000	1 000	1 000							9 129	9 485	8 605
B	NC065	Hantam	1 000	1 500	1 500	1 000							10 953	11 089	9 810
B	NC066	Karoo Hoogland											8 890	8 536	9 183
B	NC067	Klaar-Ma		2 376	2 667								8 376	9 715	7 846
C	DC6	Namaquala District Municipality		2 376	2 667								2 376	2 667	2 667
		<b>Total: Namaquala Municipalities</b>		<b>2 376</b>	<b>2 667</b>	<b>9 000</b>							<b>67 818</b>	<b>67 818</b>	<b>67 289</b>
B	NC071	Uitenhage			5 000	5 000							11 155	14 839	10 073
B	NC072	Umsobomvu	1 500	5 000	5 000	3 000							12 648	16 319	14 624
B	NC073	Erinburg		6 000									2 608	17 969	12 305
B	NC074	Kringsberg			1 000								7 848	7 958	5 001
B	NC075	Tenosterberg											7 741	8 415	6 531
B	NC076	Theunissen		500	500								10 598	10 314	9 253
B	NC078	Siyambala	1 500	3 000	2 000								17 525	19 202	18 848
C	DC7	Port Elizabeth District Municipality		2 657	2 973								2 657	2 657	2 973
		<b>Total: Port Elizabeth District Municipality</b>		<b>2 657</b>	<b>2 973</b>	<b>5 000</b>							<b>106 596</b>	<b>106 596</b>	<b>93 927</b>
B	NC081	Mier											8 892	6 799	6 886
B	NC082	Kaai Goring	1 000										22 178	21 058	22 776
B	NC083	/Kharu Huis	3 000										25 032	27 763	35 620
B	NC084	Khais		5 000		12 000							10 834	10 542	10 809
B	NC085	Tsantsabane											14 760	15 264	15 760
B	NC086	Kgatelopele		1 000	2 000								7 843	8 962	10 104
C	DC8	Z.F. Masingo District Municipality		2 394	2 687								2 394	2 394	2 687
		<b>Total: Siyambala Municipalities</b>		<b>2 394</b>	<b>2 687</b>	<b>14 000</b>							<b>93 682</b>	<b>93 682</b>	<b>104 642</b>
B	NC091	Sol Plaatje			3 000	3 000							55 211	64 515	65 178
B	NC092	Dikgatlong		4 000	1 000								20 010	22 880	20 654
B	NC093	Maengeng											10 787	11 001	11 290
B	NC094	Phokwane		1 600	1 000								24 836	27 300	27 698
C	DC9	Frances Baard District Municipality		2 153	2 427								2 153	2 153	2 427
		<b>Total: Frances Baard Municipalities</b>		<b>2 153</b>	<b>2 427</b>	<b>5 000</b>							<b>110 844</b>	<b>127 949</b>	<b>127 247</b>
B	NC451	Joe Morolong			50 000								107 058	119 366	135 169
B	NC452	Ga-Segonyana	1 000	5 000	11 000								66 197	85 637	95 419
B	NC453	Gamagara	4 000	7 500	15 000								15 638	19 532	27 371
C	DC45	John Taolo Gaetsewe District Municipality		1 725	1 823								1 725	1 725	1 823
		<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>1 725</b>	<b>1 823</b>	<b>26 000</b>							<b>190 618</b>	<b>226 290</b>	<b>259 782</b>
		<b>Total: Northern Cape Municipalities</b>		<b>11 335</b>	<b>12 577</b>	<b>59 000</b>							<b>540 839</b>	<b>622 735</b>	<b>652 887</b>

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

Category	Rural Roads Asset Management Systems Grant		Integrated National Electrification Programme (Municipal) Grant		Municipal Water Infrastructure Grant		Municipal Disaster Recovery Grant		SUB-TOTAL: INFRASTRUCTURE	
	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)	National and Municipal Financial Year 2014/15 (R'000)	2015/16 (R'000)
<b>NORTH WEST</b>										
B NW371 Moretele			8 000	20 000					99 541	103 415
B NW372 Mafikeng			10 000	50 900					252 694	277 048
B NW373 Rustenburg									731 593	836 430
B NW374 Kgetlengiser									22 715	23 508
B NW375 Moses Kotane									130 837	136 727
C DC37 Botswana Platinum District Municipality	1 767	2 010							1 767	2 010
<b>Total: Botswana Platinum Municipalities</b>	<b>1 767</b>	<b>2 010</b>	<b>18 000</b>	<b>70 900</b>					<b>1 239 147</b>	<b>1 379 138</b>
B NW381 Rabou									27 464	28 755
B NW382 Tswaing									27 493	28 632
B NW383 Mafikeng			558	13 000					56 801	59 746
B NW384 Disobola			5 000						34 772	48 707
B NW385 Ramotshere Moiloa									43 493	36 304
C DC38 Ngaka Modiri Molema District Municipality	2 312	2 360							286 164	301 682
<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>2 312</b>	<b>2 360</b>	<b>5 558</b>	<b>13 000</b>	<b>33 500</b>				<b>476 187</b>	<b>503 826</b>
B NW392 Nakedi			8 000	7 500					24 051	24 163
B NW393 Mmusa									14 991	15 413
B NW394 Greater Tzane			2 200						49 192	46 478
B NW396 Lekwa-Tsemane			7 200	15 000					21 352	29 534
B NW397 NW397									28 383	29 405
C DC39 Dr Ruth Segomotsi Mompati District Municipality	2 225	2 275							139 365	145 334
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>	<b>2 225</b>	<b>2 275</b>	<b>17 400</b>	<b>22 500</b>	<b>28 500</b>				<b>277 334</b>	<b>290 327</b>
B NW401 Venterdorp			8 000	6 000					29 904	28 601
B NW402 Tokwe									45 453	64 464
B NW403 City of Mafikeng			1 100	15 000					118 056	111 054
B NW404 Macquessi Hills									26 925	27 599
C DC40 Dr Kenneth Kaunda District Municipality	1 801	2 152							1 801	2 152
<b>Total: Dr Kenneth Kaunda Municipalities</b>	<b>1 801</b>	<b>2 152</b>	<b>9 100</b>	<b>34 000</b>	<b>40 500</b>				<b>222 139</b>	<b>233 870</b>
<b>Total: North West Municipalities</b>	<b>8 105</b>	<b>8 797</b>	<b>9 224</b>	<b>140 400</b>	<b>159 000</b>				<b>2 214 807</b>	<b>2 407 161</b>
										<b>2 258 550</b>

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

Category	Rural Roads Asset Management Systems Grant		Integrated National Electrification Programme (Municipal) Grant		Municipal Water Infrastructure Grant		Municipal Disaster Recovery Grant		SUB-TOTAL: INFRASTRUCTURE		
	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	
<b>WESTERN CAPE</b>											
A	CPT City of Cape Town										
B	WC011	Matzliama	5 000	8 000	10 000				2 575 697	2 395 622	2 489 172
B	WC012	Cederberg	1 500	3 000	3 000				21 900	23 879	24 645
B	WC013	Bergvliet	1 000	2 000	2 000				15 917	17 386	17 887
B	WC014	Saldanha Bay	2 100	3 000	3 000				15 864	17 296	17 745
B	WC015	Swartland	2 000	3 000	3 000				20 389	22 057	22 715
C	DC1	West Coast District Municipality	2 419	2 424	2 000				19 918	20 872	23 638
		<b>Total: West Coast Municipalities</b>	<b>1 960</b>	<b>2 419</b>	<b>13 000</b>				<b>95 948</b>	<b>103 889</b>	<b>109 054</b>
B	WC022	Witzenberg			2 000				21 218	21 952	24 770
B	WC023	Draakensin	3 000	5 000	5 000				36 138	39 348	40 763
B	WC024	Stellenbosch	3 000	5 000	5 000				36 313	39 964	41 410
B	WC025	Breda Valley	27 000	27 000	27 000				32 353	33 677	36 061
B	WC026	Langeberg	700	1 000	1 000				21 386	22 538	23 335
C	DC2	Cape Winelands District Municipality	2 384	2 683	2 000				147 408	179 863	195 022
		<b>Total: Cape Winelands Municipalities</b>	<b>2 384</b>	<b>2 683</b>	<b>40 000</b>				<b>28 858</b>	<b>28 841</b>	<b>29 846</b>
B	WC031	Theewaterskloof	3 900	3 000	3 000				22 674	23 387	24 588
B	WC032	Overstrand	2 000	2 000	2 000				12 532	12 847	13 129
B	WC033	Sipe Agulhas	2 000	2 000	2 000				11 399	11 734	12 079
B	WC034	Swellendam	2 154	2 427	2 000				2 134	2 134	2 427
C	DC3	Overberg District Municipality	2 154	2 427	9 000				<b>75 463</b>	<b>79 183</b>	<b>83 869</b>
		<b>Total: Overberg Municipalities</b>	<b>7 900</b>	<b>7 900</b>	<b>9 000</b>				<b>14 937</b>	<b>15 134</b>	<b>15 382</b>
B	WC041	Kennelrand	5 000	5 000	5 000				13 097	15 418	15 854
B	WC042	Hesseltia	2 000	2 000	2 000				26 327	28 598	29 464
B	WC043	Mossel Bay	3 706	5 000	5 000				106 651	119 766	159 288
B	WC044	George	8 900	14 900	20 000				24 437	26 306	27 092
B	WC045	Oudtshoorn	4 000	5 000	5 000				23 914	24 774	26 486
B	WC047	Bitou	5 000	5 000	6 000				23 648	27 504	28 445
B	WC048	Kayamandi	2 000	3 000	3 000				20 379	23 132	23 364
C	DC4	Eastern District Municipality	1 947	2 283	2 364			27 432	<b>266 280</b>	<b>280 633</b>	<b>304 377</b>
		<b>Total: Eden Municipalities</b>	<b>1 947</b>	<b>2 283</b>	<b>46 000</b>			<b>20 849</b>	<b>9 533</b>	<b>8 578</b>	<b>8 684</b>
B	WC051	Lansburg	3 000	2 000	2 000				9 377	10 491	10 611
B	WC052	Prince Albert	2 000	3 000	3 000				44 245	43 827	46 221
B	WC053	Beaufort West	27 500	30 090	32 063				1 497	1 794	1 865
C	DC5	Central Karoo District Municipality	1 794	1 865	37 063				<b>64 642</b>	<b>64 690</b>	<b>67 351</b>
		<b>Total: Central Karoo Municipalities</b>	<b>1 497</b>	<b>1 794</b>	<b>37 063</b>				<b>3 225 438</b>	<b>3 103 880</b>	<b>3 248 845</b>
		<b>Total: Western Cape Municipalities</b>	<b>5 404</b>	<b>11 034</b>	<b>155 063</b>			<b>20 849</b>	<b>32 326 684</b>	<b>35 057 587</b>	<b>36 429 140</b>
		<b>National Total</b>	<b>75 223</b>	<b>97 763</b>	<b>1 104 658</b>	<b>2 056 090</b>	<b>534 150</b>	<b>1 380 205</b>	<b>1 302 002</b>	<b>37 302</b>	<b>21 805</b>

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6, PART B)  
(National and Municipal Financial Years)**

ANNEXURE M6  
ALLOCATIONS-IN-KIND TO MUNICIPALITIES (SCHEDULE 6, PART B)

Category	Municipality	Regional Bulk Infrastructure Grant		Water Services Operating Subsidy		Integrated National Electrification Programme (Ekono) Grant		Neighbourhood Development Partnership (Funded Assistance)		Rural Households Infrastructure Grant		Municipal Water Infrastructure Grant		SUB-TOTAL: INDIRECT	
		2014/15 (R2000)	2015/16 (R2000)	2014/15 (R2000)	2015/16 (R2000)	2014/15 (R2000)	2015/16 (R2000)	2014/15 (R2000)	2015/16 (R2000)	2014/15 (R2000)	2015/16 (R2000)	2014/15 (R2000)	2015/16 (R2000)	2014/15 (R2000)	2015/16 (R2000)
<b>EASTERN CAPE</b>															
A	BFP Bontata City		50 000	300	520	7 003	16 509	19 124	1 625	2 300				8 951	15 139
A	BMA Nquthu/Indaba Bay		50 000						2 033	2 300				2 033	2 300
B	EC101 Camdeboo	14 400				3 475								17 875	
B	EC102 Berg Crane Route														
B	EC103 Bontata														
B	EC104 Makana	10 000	20 000			2 020	4 694	4 929	893	345	242			12 913	23 639
B	EC105 Ndlambe	113 464	80 000			2 220	500	600						113 684	80 500
B	EC106 Nquthu		10 000												
B	EC107 Orange River Valley	20 000	23 908			1 446	1 629	1 679						21 446	25 487
B	EC108 Kea													1 220	1 436
B	EC109 Kou-Kamma														
B	EC110 O.R. Tambo District Municipality														
	<b>Total Eastern Cape Municipalities</b>	<b>157 864</b>	<b>123 908</b>	<b>266 000</b>	<b>266 000</b>	<b>8 581</b>	<b>18 247</b>	<b>19 597</b>	<b>893</b>	<b>345</b>	<b>242</b>			<b>167 188</b>	<b>142 400</b>
B	EC121 Mbashe					43 227	45 619	58 299						43 227	45 619
B	EC122 Mthatha					59 176	55 621	60 435						59 176	55 621
B	EC123 Great Kei														
B	EC124 Amahlathi					2 940	10 352	12 319						2 940	10 352
B	EC126 Ngqushwa					720	7 061	10 715						720	7 061
B	EC128 Nquthu					23 146	17 971	18 171						23 146	17 971
C	DC12 Amahlathi District Municipality	59 400	60 000	300	400	520								97 550	157 578
	<b>Total Amahlathi District Municipality</b>	<b>59 400</b>	<b>60 000</b>	<b>300</b>	<b>400</b>	<b>520</b>			<b>9 000</b>	<b>9 000</b>	<b>8 328</b>	<b>8 328</b>	<b>28 850</b>	<b>157 578</b>	<b>204 096</b>
B	EC131 Inshu's Yekomba					132 209	134 561	160 539						132 209	134 561
B	EC132 Tsobwane					2 520	4 493	4 718						2 520	4 493
B	EC133 Inxwanya					3 222	2 552	2 880						3 222	2 552
B	EC134 Inxwanya					22 277	40 102	42 107						22 277	40 102
B	EC135 Inxwanya					16 416	42 128	44 235						16 416	42 128
B	EC136 Emahlatheni					2 500	13 941	14 115						2 500	13 941
B	EC138 Sakhosha														
C	DC13 Chris Hani District Municipality	218 238	243 503	300	400	520								218 538	243 903
	<b>Total Chris Hani District Municipality</b>	<b>218 238</b>	<b>243 503</b>	<b>300</b>	<b>400</b>	<b>520</b>								<b>218 538</b>	<b>243 903</b>
B	EC141 Elandeni					91 535	110 375	115 995						91 535	110 375
B	EC142 Sesu					48 168	54 430	59 152						48 168	54 430
B	EC143 Mafeswa					10 590	26 138	28 945						11 483	26 483
C	DC14 Joe Gqabi District Municipality	10 000	15 000	300	400	520								14 800	19 400
	<b>Total Joe Gqabi District Municipality</b>	<b>10 000</b>	<b>15 000</b>	<b>300</b>	<b>400</b>	<b>520</b>			<b>4 500</b>	<b>4 500</b>	<b>4 000</b>	<b>4 000</b>	<b>74 451</b>	<b>100 313</b>	<b>112 859</b>
B	EC143 Ngqushwa Hill					187 500	175 146	177 731						187 500	175 146
B	EC154 Port St Johns					29 593	29 599	10 079						29 593	29 599
B	EC155 Nvndeni					20 146	27 322	28 688						20 146	27 322
B	EC156 Mthatha					34 400	42 079	45 704						34 400	42 079
C	DC15 O.R. Tambo District Municipality	289 000	315 000	300	400	520								288 800	319 400
	<b>Total O.R. Tambo District Municipality</b>	<b>289 000</b>	<b>315 000</b>	<b>300</b>	<b>400</b>	<b>520</b>			<b>4 500</b>	<b>4 500</b>	<b>4 000</b>	<b>4 000</b>	<b>556 319</b>	<b>600 904</b>	<b>671 427</b>
B	EC241 Mankwato					36 688	54 473	58 197						36 688	54 473
B	EC242 Umtshatha					11 875	60 116	61 605						11 875	60 116
B	EC243 Mzimba					33 046	31 351	32 919						33 046	31 351
C	DC24 Mankwato District Municipality	110 000	49 669	300	400	520								109 506	49 669
	<b>Total Mankwato District Municipality</b>	<b>110 000</b>	<b>49 669</b>	<b>300</b>	<b>400</b>	<b>520</b>			<b>4 500</b>	<b>4 500</b>	<b>4 000</b>	<b>4 000</b>	<b>54 857</b>	<b>91 071</b>	<b>170 219</b>
	<b>Total Alfred Nzo District Municipality</b>	<b>110 000</b>	<b>49 669</b>	<b>300</b>	<b>400</b>	<b>520</b>			<b>4 500</b>	<b>4 500</b>	<b>4 000</b>	<b>4 000</b>	<b>54 857</b>	<b>91 071</b>	<b>170 219</b>
	<b>Total Eastern Cape Municipalities</b>	<b>835 932</b>	<b>807 000</b>	<b>1 900</b>	<b>2 300</b>	<b>3 120</b>	<b>660 000</b>	<b>854 000</b>	<b>5 386</b>	<b>5 601</b>	<b>5 464</b>	<b>30 328</b>	<b>83 707</b>	<b>1 068 985</b>	<b>1 830 839</b>
															<b>2 210 229</b>

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

Category	Regional Bulk Infrastructure Grant		Water Services Operating Subsidy		Integrated National Electrification Programme (Ekono) Grant		Neighbourhood Development Partnership (Technical Assistance)		Rural Households Infrastructure Grant		Municipal Water Infrastructure Grant		SIB (VOI A): INDIRECT National and Municipal Financial Year	
	2014/15 (R200)	2015/16 (R200)	2014/15 (R200)	2015/16 (R200)	2014/15 (R200)	2015/16 (R200)	2014/15 (R200)	2015/16 (R200)	2014/15 (R200)	2015/16 (R200)	2014/15 (R200)	2015/16 (R200)	2014/15 (R200)	2015/16 (R200)
<b>FREE STATE</b>														
Municipality														
A MAN Mangungu			300	300	944	779	8147	1565	2494				2899	10553
B FS161 Lesengeng	10 000	20 000			170	1170	1170				18 653	62 178	18 865	63 348
B FS162 Kapaung	4 000	6 000	300	400	200	1200	1200				20 140	13 702	30 640	34 612
B FS163 Kapaung	4 000	6 000			196	1196	1196				7 985	4 490	8 101	4 686
B FS164 Naledi					196	1196	1196				7 985	4 490	8 101	4 686
C DC16 - Xhutsi District Municipality	50 000	81 000	300	400	723	4723	4723				54 410	84 680	105 433	173 803
<b>Total: Xhutsi District Municipality</b>	<b>50 000</b>	<b>81 000</b>	<b>300</b>	<b>400</b>	<b>723</b>	<b>4723</b>	<b>4723</b>				<b>54 410</b>	<b>84 680</b>	<b>105 433</b>	<b>173 803</b>
B FS181 Makhosana	46 000	60 000			184	1184	1184						46 184	61 184
B FS182 Tsoelogo	10 000	33 000			246	1246	246						10 246	34 246
B FS183 Tsoelogo					146	346	346						146	346
B FS185 Nala	18 000	12 000			1011	3011	3011						19 011	15 011
C DC18 - Lejolele District Municipality	24 000	105 000			7 092	13 092	10 647	893	345	241			81 985	118 437
<b>Total: Lejolele District Municipality</b>	<b>24 000</b>	<b>105 000</b>			<b>7 092</b>	<b>13 092</b>	<b>10 647</b>	<b>893</b>	<b>345</b>	<b>241</b>			<b>81 985</b>	<b>118 437</b>
B FS191 Sesofo	20 000	20 000			171	9766	10 235						20 171	29 766
B FS192 Dhlakeni	25 000	21 054			10 207	10 207	11 207						36 400	32 006
B FS193 Mchunu	30 000	45 000			823	1 258	9 238						30 823	34 217
B FS195 Phantsi	30 000	20 000			213	1 213	1 413						30 213	21 213
B FS196 Mantsopa	7 000	8 000			279	1 279	1 379						7 279	9 279
<b>Total: Mantsopa District Municipality</b>	<b>132 806</b>	<b>131 054</b>	<b>600</b>	<b>800</b>	<b>20 055</b>	<b>32 620</b>	<b>35 030</b>	<b>893</b>	<b>345</b>	<b>242</b>			<b>154 444</b>	<b>165 440</b>
<b>Total: Mantsopa District Municipality</b>	<b>132 806</b>	<b>131 054</b>	<b>600</b>	<b>800</b>	<b>20 055</b>	<b>32 620</b>	<b>35 030</b>	<b>893</b>	<b>345</b>	<b>242</b>			<b>154 444</b>	<b>165 440</b>
B FS201 Mchuba	15 000	20 000			22 880	10 456	12 256						37 880	30 456
B FS202 Mchuba	14 000	15 000			255	1 250	1 485						14 255	15 250
B FS204 Mchuba					255	1 250	1 485						255	1 250
B FS205 Mchuba	20 159	27 000			159	1 159	1 359						20 318	28 159
C EC20 - Fesile Daba District Municipality	49 859	62 000	300	400	23 374	13 325	16 150						72 833	75 335
<b>Total: Fesile Daba District Municipality</b>	<b>49 859</b>	<b>62 000</b>	<b>300</b>	<b>400</b>	<b>23 374</b>	<b>13 325</b>	<b>16 150</b>						<b>72 833</b>	<b>75 335</b>
<b>Total: Free State Municipalities</b>	<b>306 055</b>	<b>381 654</b>	<b>1 500</b>	<b>1 900</b>	<b>52 188</b>	<b>71 149</b>	<b>74 706</b>	<b>3 351</b>	<b>3 884</b>	<b>3 977</b>	<b>54 410</b>	<b>84 680</b>	<b>417 904</b>	<b>501 351</b>
<b>GAUTENG</b>														
A ERU Ekurhuleni														
A FSU City of Johannesburg														
A FSU City of Tshwane	50 000	60 000			12 309	5 256	5 319	2 500	2 500				14 809	7 756
B G1421 Enkheleni	150 000	187 000	300	300	6 600	6 600	79 913	2 500	2 500				128 404	65 600
B G1423 Lesell	50 000	100 000			71 604	77 059	79 913	2 500	2 500				128 404	159 859
C DC32 - Sediberg District Municipality					498								157 204	100 000
<b>Total: Sediberg District Municipality</b>	<b>240 000</b>	<b>287 000</b>	<b>300</b>	<b>300</b>	<b>6 600</b>	<b>6 600</b>	<b>79 913</b>	<b>2 400</b>	<b>2 400</b>				<b>248 595</b>	<b>304 000</b>
B G1481 Mgakala City					3 131	5 212	5 971	1 565	2 500				4 696	7 712
B G1482 Randfontein					513	841	883						513	841
B G1484 Merafika City	47 700	15 000			500								47 700	15 000
C DC38 - West Rand District Municipality					4 144	6 053	6 654	895	345	241			54 304	8 898
<b>Total: West Rand District Municipality</b>	<b>47 700</b>	<b>15 000</b>			<b>4 144</b>	<b>6 053</b>	<b>6 654</b>	<b>895</b>	<b>345</b>	<b>241</b>			<b>54 304</b>	<b>8 898</b>
<b>Total: Gauteng Municipalities</b>	<b>337 700</b>	<b>385 000</b>	<b>300</b>	<b>300</b>	<b>152 746</b>	<b>155 330</b>	<b>163 096</b>	<b>12 420</b>	<b>13 190</b>	<b>12 982</b>			<b>503 166</b>	<b>623 820</b>



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

Category	Regional Bulk Infrastructure Grant		Water Services Operating Subsidy		Integrated National Electrification Programme (Ekem) Grant		Neighbourhood Development Partnership (Technical Assistance)		Rural Households Infrastructure Grant		Municipal Water Infrastructure Grant		SUB-TOTAL: INDIRECT	
	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)
<b>KWAZULU-NATAL</b>														
A. ETHI cThakveni					12,070	19,826	20,321	1,800	2,900				13,870	22,329
B. KZN211 Vlamambo					6,205	12,178	12,787						6,205	12,178
B. KZN212 Umhlabo					292	672	706						292	672
B. KZN214 uMziyachama					51,111	59,406	52,451		4,500	5,000			55,011	55,416
B. KZN215 Entongeni					563	23,319	23,985						563	23,319
B. KZN216 Umhlabo					22,551								22,551	
C. KZN217 Umhlabo													35,300	35,500
<b>Total: Lga. Municipalities</b>	<b>35,000</b>	<b>18,834</b>	<b>300</b>	<b>400</b>	<b>80,722</b>	<b>86,585</b>	<b>89,745</b>		<b>4,500</b>	<b>5,000</b>			<b>20,522</b>	<b>110,810</b>
B. KZN221 uMhlabu					164	164	164						164	164
B. KZN222 uMhlabu					150	150	150						150	150
B. KZN223 Mphofeni					150	150	150						150	150
B. KZN224 Ingende					1,580	1,580	1,580	1,567	2,900				3,047	4,087
B. KZN226 Mkhambeni					83	84	85						83	84
B. KZN227 Richmond														84
<b>Total: Umpungweni District Municipality</b>					<b>2,136</b>	<b>2,137</b>	<b>2,138</b>	<b>1,567</b>	<b>2,900</b>	<b>3,900</b>			<b>3,703</b>	<b>4,637</b>
B. KZN232 Emambhili-Ladysmith					46,270	48,339	52,456	895	345	242			47,165	48,684
B. KZN233 Inkulu					350	350	350						350	350
B. KZN234 Mkhambeni					26,751	21,545	26,400	893	345	242			26,751	26,542
B. KZN235 Ohlshoben					5,492	6,079	6,885						5,492	6,079
B. KZN236 Imboshane														6,885
<b>Total: Umhlabu District Municipality</b>	<b>25,000</b>	<b>30,000</b>	<b>300</b>	<b>400</b>	<b>72,773</b>	<b>75,942</b>	<b>85,339</b>	<b>1,798</b>	<b>600</b>	<b>464</b>			<b>45,300</b>	<b>103,302</b>
B. KZN241 Erdumeni					150	29,186	32,145						150	29,186
B. KZN242 Ngata					6,133	79,858	83,851						6,133	79,858
B. KZN243 Mkhambeni					6,927	9,927	9,927						6,927	9,927
B. KZN245 Umtot														9,927
<b>Total: Umzimshana District Municipality</b>	<b>135,000</b>	<b>243,000</b>	<b>300</b>	<b>400</b>	<b>70,240</b>	<b>109,044</b>	<b>115,996</b>						<b>135,300</b>	<b>243,400</b>
<b>Total: Umhlabathi District Municipality</b>	<b>135,000</b>	<b>243,000</b>	<b>300</b>	<b>400</b>	<b>70,240</b>	<b>109,044</b>	<b>115,996</b>						<b>135,300</b>	<b>243,400</b>
B. KZN252 Newcastle														500
B. KZN253 Enslindeni														500
B. KZN254 Dambasen														500
<b>Total: amaMboza District Municipality</b>			<b>600</b>	<b>700</b>	<b>1,000</b>	<b>30,633</b>	<b>32,164</b>	<b>1,567</b>	<b>2,900</b>	<b>5,000</b>			<b>1,867</b>	<b>33,533</b>
<b>Total: amaMboza District Municipality</b>			<b>600</b>	<b>700</b>	<b>1,000</b>	<b>30,633</b>	<b>32,164</b>	<b>1,567</b>	<b>2,900</b>	<b>5,000</b>			<b>6,817</b>	<b>35,614</b>

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

Category	Regional Bulk Infrastructure Grant			Water Services Operating Subsidy			Integrated National Electrification Programme (Ekono) Grant			Neighbourhood Development Partnership (Technical Assistance)			Rural Households Infrastructure Grant			Municipal Water Infrastructure Grant			SIB (FOI A) INDIRECT			
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	
<b>Municipality</b>																						
B	KZN261 eDunbe	150	5 096	5 351	150	5 096	5 351	150	5 096	5 351	150	5 096	5 351	150	5 096	5 351	150	5 096	5 351	150	5 096	5 351
B	KZN262 ePhongola	150	14 243	14 243	150	14 243	14 243	150	14 243	14 243	150	14 243	14 243	150	14 243	14 243	150	14 243	14 243	150	14 243	14 243
B	KZN263 Nongoma	300	71 595	71 595	300	71 595	71 595	300	71 595	71 595	300	71 595	71 595	300	71 595	71 595	300	71 595	71 595	300	71 595	71 595
B	KZN265 Ntshongweni	300	14 142	12 671	13 305	300	14 142	12 671	13 305	300	14 142	12 671	13 305	300	14 142	12 671	13 305	300	14 142	12 671	13 305	300
B	KZN266 Uthmaniyana	300	400	500	300	400	500	300	400	500	300	400	500	300	400	500	300	400	500	300	400	500
C	DC26 - Zululand District Municipality	300	400	500	300	400	500	300	400	500	300	400	500	300	400	500	300	400	500	300	400	500
<b>Total Eastern Municipalities</b>																						
B	KZN271 Umhlangaberg	12 587	27 532	28 909	12 587	27 532	28 909	12 587	27 532	28 909	12 587	27 532	28 909	12 587	27 532	28 909	12 587	27 532	28 909	12 587	27 532	28 909
B	KZN272 Jozini	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524	7 524
B	KZN273 Ficksburg	18 850	27 786	29 176	18 850	27 786	29 176	18 850	27 786	29 176	18 850	27 786	29 176	18 850	27 786	29 176	18 850	27 786	29 176	18 850	27 786	29 176
B	KZN274 Hibiscus	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175
C	DC27 - Umhlangaberg District Municipality	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175	419 330	152 175	152 175
<b>Total Umhlangaberg Municipalities</b>																						
B	KZN281 Mtshini	16 233	17 066	17 066	16 233	17 066	17 066	16 233	17 066	17 066	16 233	17 066	17 066	16 233	17 066	17 066	16 233	17 066	17 066	16 233	17 066	17 066
B	KZN282 uMkhazane	25 200	26 064	27 867	25 200	26 064	27 867	25 200	26 064	27 867	25 200	26 064	27 867	25 200	26 064	27 867	25 200	26 064	27 867	25 200	26 064	27 867
B	KZN283 Mtsheni	78 961	69 932	51 504	78 961	69 932	51 504	78 961	69 932	51 504	78 961	69 932	51 504	78 961	69 932	51 504	78 961	69 932	51 504	78 961	69 932	51 504
B	KZN285 Mhlonjaneni	14 295	23 899	27 194	14 295	23 899	27 194	14 295	23 899	27 194	14 295	23 899	27 194	14 295	23 899	27 194	14 295	23 899	27 194	14 295	23 899	27 194
B	KZN286 Ntshini	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234
C	DC28 - Mtshini District Municipality	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234
<b>Total Umhlangaberg Municipalities</b>																						
B	KZN291 Mankeni	6 980	24 321	25 337	6 980	24 321	25 337	6 980	24 321	25 337	6 980	24 321	25 337	6 980	24 321	25 337	6 980	24 321	25 337	6 980	24 321	25 337
B	KZN292 KwaMkhosana	70 612	59 717	51 703	70 612	59 717	51 703	70 612	59 717	51 703	70 612	59 717	51 703	70 612	59 717	51 703	70 612	59 717	51 703	70 612	59 717	51 703
B	KZN293 Naledwe	63 165	46 207	48 817	63 165	46 207	48 817	63 165	46 207	48 817	63 165	46 207	48 817	63 165	46 207	48 817	63 165	46 207	48 817	63 165	46 207	48 817
B	KZN294 Mqumbulu	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035
C	DC29 - Mankeni District Municipality	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035	166 035
<b>Total Emabhele Municipalities</b>																						
B	KZN431 Inwe	222	13 768	14 456	222	13 768	14 456	222	13 768	14 456	222	13 768	14 456	222	13 768	14 456	222	13 768	14 456	222	13 768	14 456
B	KZN432 Gqolomzi	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250	29 250
B	KZN433 Greater Kosiad	4 216	14 777	15 516	4 216	14 777	15 516	4 216	14 777	15 516	4 216	14 777	15 516	4 216	14 777	15 516	4 216	14 777	15 516	4 216	14 777	15 516
B	KZN434 Ukhahlamba	16 291	27 762	29 151	16 291	27 762	29 151	16 291	27 762	29 151	16 291	27 762	29 151	16 291	27 762	29 151	16 291	27 762	29 151	16 291	27 762	29 151
B	KZN435 Umtshini	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305
C	DC30 - Inwe District Municipality	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305	30 305
<b>Total Swazakwe Municipalities</b>																						
B	KZN436 Swazakwe	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200	99 200
<b>Total KwaZulu-Natal Municipalities</b>																						
																			1 706 346	1 967 869	1 747 864	

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

Category	Municipality	Regional Bulk Infrastructure Grant		Water Services Operating Subsidy		Integrated National Electrification Programme (Ekem) Grant		Neighbourhood Development Partnership (Technical Assistance)		Rural Households Infrastructure Grant		Municipal Water Infrastructure Grant		SUB-TOTAL: INDIRECT	
		2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)	2018/15 (R200)	2015/16 (R200)
<b>LIMPOPO</b>															
B	LMS31 Greater Giyani					31 555	17 006	48 857			8 500	9 500			48 857
B	LMS32 Greater Letaba					124 056	128 693	129 927							128 693
B	LMS33 Greater Tzaneen					26 031	43 429	49 601	893	345	242				43 774
B	LMS34 BoPhalaborwa					4 336	11 346	11 343	893	345	241				11 691
C	DC33 Mopani District Municipality	138 165	140 167	11 957	12 771	14 464	19 435	19 656	1 796	601	483	43 071	102 532	107 866	121 636
	<b>Total Limpopo Municipalities</b>	<b>138 165</b>	<b>140 167</b>	<b>11 957</b>	<b>12 771</b>	<b>199 982</b>	<b>238 909</b>	<b>258 054</b>	<b>1 796</b>	<b>601</b>	<b>483</b>	<b>43 071</b>	<b>102 532</b>	<b>107 866</b>	<b>301 073</b>
B	LMS41 Mmabana					3 150	11 772	12 361	3 150						11 772
B	LMS42 Mmabisa					10 405	26 994	28 344	893	345	241				26 994
B	LMS43 Thulamela					148 436	153 986	156 186	893	345	241				158 831
C	DC34 Vhembe District Municipality	27 250	30 000	170 217	27 446	38 973	45 966	48 191	1 796	601	483	65 886	200 232	210 844	156 427
	<b>Total Vhembe Municipalities</b>	<b>27 250</b>	<b>30 000</b>	<b>170 217</b>	<b>27 446</b>	<b>197 964</b>	<b>238 648</b>	<b>245 082</b>	<b>893</b>	<b>345</b>	<b>241</b>	<b>65 886</b>	<b>200 232</b>	<b>210 844</b>	<b>657 328</b>
B	LMS51 Bhebe					10 330	24 678	24 331							24 678
B	LMS52 Altoni					11 581	26 179	26 488							26 179
B	LMS53 Molemole					6 865	8 278	8 692							8 278
B	LMS54 Polkwane					79 916	86 403	88 723	1 567	2 500	2 500				89 203
C	DC35 Capricorn District Municipality	1 150	30 000	30 342	32 292	14 560	22 019	23 121							31 492
	<b>Total Capricorn Municipalities</b>	<b>2 300</b>	<b>30 000</b>	<b>30 642</b>	<b>32 292</b>	<b>121 252</b>	<b>167 587</b>	<b>173 345</b>	<b>1 567</b>	<b>2 500</b>	<b>2 500</b>				<b>240 525</b>
B	LMS61 Thebush					3 733	5 904	6 189							5 904
B	LMS62 Lephalale					22 832	27 957	28 854							26 331
B	LMS64 Moskopong					1 500	3 000	7 000							3 000
B	LMS65 Mmimoko					1 500	3 000	7 000							3 000
B	LMS67 Mogalakwena					20 804	19 626	25 896	895	345	241				20 941
C	DC36 Waterberg District Municipality	82 250	141 500	160 000	18 405	19 626	25 616	26 896	895	345	241				207 941
	<b>Total Waterberg Municipalities</b>	<b>82 250</b>	<b>141 500</b>	<b>160 000</b>	<b>18 705</b>	<b>21 324</b>	<b>47 471</b>	<b>49 544</b>	<b>895</b>	<b>345</b>	<b>241</b>				<b>222 901</b>
B	LMS71 Ephraim Mogale					9 231	14 075	14 779							14 075
B	LMS72 Elias Mosekoti					10 646	18 929	19 376							18 929
B	LMS73 Mmabathata					19 626	19 626	20 178							19 626
B	LMS74 Ficksburg					5 000	12 250	12 250							12 250
B	LMS75 Greater Tlokoeng					5 000	5 914	5 486	893	346	241				5 407
C	DC37 Sekakehane District Municipality	497 484	530 000	514 600	33 963	38 211	129 639	133 170	893	346	241	81 514	150 502	158 479	711 290
	<b>Total Sekakehane Municipalities</b>	<b>497 484</b>	<b>530 000</b>	<b>514 600</b>	<b>33 963</b>	<b>38 211</b>	<b>129 639</b>	<b>133 170</b>	<b>893</b>	<b>346</b>	<b>241</b>	<b>81 514</b>	<b>150 502</b>	<b>158 479</b>	<b>844 701</b>
	<b>Total Limpopo Municipalities</b>	<b>717 499</b>	<b>841 667</b>	<b>945 217</b>	<b>122 713</b>	<b>138 819</b>	<b>630 782</b>	<b>838 196</b>	<b>6 034</b>	<b>4 221</b>	<b>3 706</b>	<b>130 471</b>	<b>453 260</b>	<b>477 289</b>	<b>2 283 040</b>

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

Category	Municipality	Regional Bulk Infrastructure Grant		Water Services Operating Subsidy		Integrated National Electrification Programme (Ekomo) Grant		Neighbourhood Development Partnership (Technical Assistance)		Rural Households Infrastructure Grant		Municipal Water Infrastructure Grant		SIB (FOI A) INDIRECT			
		2018/15		2015/16		2018/15		2015/16		2018/15		2015/16		2018/15		2015/16	
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	
<b>MPUMALANGA</b>																	
B	MP291 Albert Luthuli			300	400	1,645	51,525	35,511						5,244	31,034	54,731	
B	MP292 Mankwato				520	30,863	22,999	23,149						30,863	22,999	23,149	
B	MP293 Mhondo					31,331	36,267	38,080						31,331	36,267	38,080	
B	MP294 Phiso Ka Senene					4,920	11,432	12,003						4,920	11,432	12,003	
B	MP295 Phiso Ka Senene					465	480	475						465	480	475	
B	MP296 Dhaoleng					6,432	165	173						6,432	165	173	
B	MP297 Gwini Mtsheki	107,000	128,000											107,000	128,000	144,801	
C	EC20 Gear Shanks District Municipality	107,000	128,000	300	400	25,925	105,207	109,541						107,000	128,000	144,801	
<b>Total: Gear Shanks District Municipality</b>																	
B	MP311 Venter Klomp					103	450	473						103	450	473	
B	MP312 Enkheleni	25,000	24,000			10,992	1,464	1,338	1,567	2,500				25,000	27,964	34,038	
B	MP313 Enkheleni					3,281	450	473	493	345	241			3,281	1,450	1,473	
B	MP314 Enkheleni					22,976	31,221	33,782						22,976	31,621	34,302	
B	MP315 Thembakosi Hani			300	400	23,229	24,229	28,546						23,229	24,229	29,046	
D	MP316 DfES Morkwa	20,000	28,000											20,000	28,000	29,046	
<b>Total: Mankwato District Municipality</b>																	
B	MP221 Thabo Chwen			300	400	60,979	58,755	65,095	2,400	2,845	2,741			106,059	114,400	130,923	
B	MP222 Thabo Chwen			300	400	76,117	74,115	77,321	1,567	2,500	2,500			20,206	27,103	31,238	
B	MP223 Umpund			300	300	28,485	35,011	38,011	893	345	241			20,135	112,217	120,675	
B	MP224 Nkomari			300	400	52,216	54,019	53,044						55,785	157,151	166,723	
B	MP225 Nkomari			300	400	52,216	54,019	53,044						55,785	157,151	166,723	
C	EC25 Ekhazeni District Municipality	26,000	54,000	1,300	1,500	159,818	163,645	168,526	2,400	2,845	2,741			26,000	54,000	70,150	
<b>Total: Ekhazeni District Municipality</b>																	
<b>Total: Mpumalanga Municipalities</b>																	
		225,000	234,000	2,100	2,700	296,732	327,007	344,082	4,200	5,601	5,482	103,151	375,005	631,923	948,092	1,016,600	

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

Category	Municipality	Regional Bulk Infrastructure Grant		Water Services Operating Subsidy		Integrated National Electrification Programme (Ekem) Grant		Neighbourhood Development Partnership (Technical Assistance)		Rural Households Infrastructure Grant		Municipal Water Infrastructure Grant		SUB-TOTAL: INDIRECT	
		2018/19 (R200)	2019/20 (R200)	2018/19 (R200)	2019/20 (R200)	2018/19 (R200)	2019/20 (R200)	2018/19 (R200)	2019/20 (R200)	2018/19 (R200)	2019/20 (R200)	2018/19 (R200)	2019/20 (R200)	2018/19 (R200)	2019/20 (R200)
<b>NORTHERN CAPE</b>															
B	NC061 Richtersveld	9 801	12 543	5 837										9 801	12 543
B	NC062 Nam-Koib	30 000	30 000											444	500
B	NC064 Kamiesberg	800	16 500	11 000										800	16 500
B	NC065 Hamar	600												1 218	2 136
B	NC067 Khar-Mas														
C	DCE - Namakwa District Municipality	11 201	29 043	16 837										12 863	31 679
<b>Total: Namakwa Municipalities</b>															
B	NC071 Uitenhage	30 000	30 000	18 000										30 000	32 143
B	NC072 Umhombu	16 000	29 000	29 000										16 000	29 000
B	NC073 Kaniyama	900	20 406											900	20 406
B	NC075 Renosterberg	5 000	13 000											5 000	13 000
B	NC076 Thornhill	5 399	8 362											5 399	8 362
B	NC078 Swartkops	2 000												2 000	
C	DCE - Pletzi, Ka-Somo District Municipality	1 000												1 000	
<b>Total: Pletzi, Ka-Somo Municipalities</b>															
B	NC081 Mier	600	60 000											600	60 000
B	NC082 Kani-Grafs	800												800	
B	NC083 Kharu-Haas														
B	NC085 Tsantsabane														
B	NC086 Kani-Koppe														
C	DCE - Z.F. Mchunu District Municipality	1 400												1 400	
<b>Total: Mchunu Municipalities</b>															
B	NC091 Sol Plaatje	25 000	5 550	20 000										25 000	5 550
B	NC092 Dikgatong	5 000	16 500	14 175										5 000	16 500
B	NC093 Maseru	800												800	
C	DCE - Frances Baard District Municipality	30 800	22 050	34 175										30 800	22 050
<b>Total: Frances Baard Municipalities</b>															
B	NC451 Joe Motolong	31 000												31 000	
B	NC452 Gae-Spangma	5 638												5 638	
B	NC453 Gae-Spangma	30 000												30 000	
C	DCE - John Tshepo District Municipality	800												800	
<b>Total: John Tshepo District Municipality</b>															
B	NC454 John Tshepo District Municipality	61 800	15 638	30 000										61 800	15 638
<b>Total: John Tshepo District Municipality</b>															
<b>Total: Northern Cape Municipalities</b>		166 140	138 499	201 030	7 900	6 200	1 500	79 318	110 582	2 462	2 845	2 942	4 500	240 320	245 796

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

Category	Regional Bulk Infrastructure Grant			Water Services Operating Subsidy			Integrated National Electrification Programme (Ekem) Grant			Neighbourhood Development Partnership (Technical Assistance)			Rural Households Infrastructure Grant			Municipal Water Infrastructure Grant			SIB (VOI A): INDIRECT		
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	2014/15 (R200)	2015/16 (R200)	2016/17 (R200)	2014/15 (R200)	2015/16 (R200)	2016/17 (R200)	2014/15 (R200)	2015/16 (R200)	2016/17 (R200)	2014/15 (R200)	2015/16 (R200)	2016/17 (R200)	2014/15 (R200)	2015/16 (R200)	2016/17 (R200)	2014/15 (R200)	2015/16 (R200)	2016/17 (R200)	2014/15 (R200)	2015/16 (R200)	2016/17 (R200)
<b>Municipality</b>																					
<b>NORTH WEST</b>																					
B	5 600	6 000	61 255	300	400	520	24 437	24 505	24 505							29 277	43 535	70 645	81 465	85 270	133 848
B	42 400	80 000	95 215	300	400	520	38 765	38 115	38 115							2 683	7 064	8 197	8 092	22 773	23 911
B	8 000	15 000	15 000	300	400	520	92	8 911	8 911	1 567	2 500	2 500				50 226	51 952	51 848			
C							49 926	51 521	51 528												
<b>Total: Botswana Platinum District Municipality</b>	<b>56 000</b>	<b>85 000</b>	<b>151 467</b>	<b>1 200</b>	<b>1 500</b>	<b>2 080</b>	<b>114 036</b>	<b>123 595</b>	<b>131 922</b>	<b>1 567</b>	<b>2 500</b>	<b>2 500</b>				<b>172 203</b>	<b>210 595</b>	<b>267 969</b>			
B							3 040	8 324	9 065							7 560	13 434	9 065			
B							2 251	13 752	14 789				4 000			7 251	13 752	14 789			
B							29 973	27 649	29 031							29 973	27 649	29 031			
B							9 584	16 986	19 833							9 584	16 986	19 833			
C							31 837	25 943	26 250	893	345	241				84 367	177 482	165 852			
<b>Total: Ngaka Modiri Molema District Municipality</b>	<b>53 000</b>	<b>115 000</b>	<b>100 000</b>	<b>300</b>	<b>400</b>	<b>520</b>	<b>81 705</b>	<b>101 864</b>	<b>108 458</b>	<b>893</b>	<b>345</b>	<b>241</b>	<b>4 000</b>			<b>171 465</b>	<b>261 691</b>	<b>278 008</b>			
B							24 176	26 447	27 569							24 176	26 447	27 569			
B							5 368	13 486	14 410							5 368	13 486	14 410			
B							7 920	9 804	10 294	893	345	242				8 813	10 149	10 536			
B							19 844	21 851	22 699							19 854	21 851	22 699			
C							59 318	74 530	77 055	893	345	242				142 314	169 400	152 165			
<b>Total: Dr Ruth Segomotsi Mompati District Municipality</b>	<b>127 014</b>	<b>70 000</b>	<b>120 055</b>	<b>300</b>	<b>400</b>	<b>520</b>	<b>59 318</b>	<b>74 530</b>	<b>77 055</b>	<b>893</b>	<b>345</b>	<b>242</b>				<b>202 525</b>	<b>175 275</b>	<b>229 462</b>			
B							2 210	4 191	1 237							7 796	4 191	1 237			
B							1 000	8 245	9 357	893	345	241				8 893	10 345	40 241			
B							23 222	22 583	23 212	1 569	2 500	2 500				2 569	10 745	11 857			
C							26 532	35 019	33 426	2 402	2 845	2 741				50 322	77 183	23 212			
<b>Total: Dr Kenneth Kaunda District Municipality</b>	<b>41 866</b>	<b>64 000</b>	<b>40 000</b>	<b>1 200</b>	<b>2 300</b>	<b>3 120</b>	<b>26 532</b>	<b>35 019</b>	<b>33 426</b>	<b>2 402</b>	<b>2 845</b>	<b>2 741</b>				<b>69 580</b>	<b>102 464</b>	<b>76 507</b>			
<b>Total: North West Municipalities</b>	<b>277 000</b>	<b>332 000</b>	<b>411 522</b>	<b>1 800</b>	<b>2 300</b>	<b>3 120</b>	<b>260 591</b>	<b>335 088</b>	<b>351 758</b>	<b>5 815</b>	<b>6 052</b>	<b>5 724</b>	<b>4 000</b>			<b>615 773</b>	<b>773 025</b>	<b>869 096</b>			



**ANNEXURE W7**

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



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

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>EASTERN CAPE</b>							
A	BUF Buffalo City	656 674	653 273	641 160	1 379 723	1 425 218	1 496 323
A	NMA Nelson Mandela Bay	761 606	771 725	785 837	1 933 492	2 162 380	2 231 631
B	EC101 Camdeboo	40 950	43 380	43 906	76 184	69 624	65 658
B	EC102 Blue Crane Route	42 429	44 635	44 191	61 854	61 327	61 422
B	EC103 Ikwezi	18 211	20 719	21 114	29 947	36 498	36 232
B	EC104 Makana	72 184	75 677	76 030	111 936	127 222	144 719
B	EC105 Ndlambe	64 894	72 961	76 514	208 111	182 988	327 789
B	EC106 Sundays River Valley	46 351	55 166	59 358	74 232	93 311	109 280
B	EC107 Baviaans	20 481	23 535	24 202	56 649	65 599	42 874
B	EC108 Kouga	66 129	81 630	91 004	106 985	126 750	137 725
B	EC109 Kou-Kamma	33 884	37 570	39 380	58 009	57 389	59 977
C	DC10 Cacadu District Municipality	80 008	86 220	88 260	85 538	95 637	97 839
<b>Total: Cacadu Municipalities</b>		<b>485 521</b>	<b>541 493</b>	<b>563 959</b>	<b>869 445</b>	<b>916 345</b>	<b>1 083 515</b>
B	EC121 Mbhashe	162 715	209 526	211 432	265 656	333 628	356 818
B	EC122 Mquma	191 206	234 322	233 214	319 851	375 351	386 915
B	EC123 Great Kei	36 762	42 276	41 659	53 311	58 341	58 319
B	EC124 Amahlathi	105 384	124 108	121 899	143 338	169 678	170 868
B	EC126 Ngqushwa	71 805	82 952	81 457	99 014	116 606	119 867
B	EC127 Nkonkobe	106 485	130 370	129 803	169 642	194 085	196 099
B	EC128 Nxuba	23 789	26 569	26 266	36 974	39 094	39 214
C	DC12 Amathole District Municipality	663 551	699 665	741 553	1 204 802	1 317 948	1 422 286
<b>Total: Amathole Municipalities</b>		<b>1 361 697</b>	<b>1 549 788</b>	<b>1 587 283</b>	<b>2 292 588</b>	<b>2 604 731</b>	<b>2 750 386</b>
B	EC131 Inxuba Yethemba	40 564	40 812	38 419	59 799	59 240	57 470
B	EC132 Tsolwana	31 320	38 783	39 422	50 110	58 966	60 406
B	EC133 Inkwanca	21 231	25 082	25 314	34 399	37 359	38 003
B	EC134 Lukanji	118 301	127 277	125 368	168 562	174 270	174 245
B	EC135 Intsika Yethu	115 999	146 291	147 367	187 515	255 939	259 644
B	EC136 Emalahleni	92 038	116 794	118 123	153 375	214 247	224 111
B	EC137 Engcobo	103 995	134 274	135 782	191 616	202 183	215 757
B	EC138 Sakhisizwe	48 625	59 556	59 591	82 123	93 738	95 179
C	DC13 Chris Hani District Municipality	413 744	446 891	479 451	989 324	1 104 141	1 053 319
<b>Total: Chris Hani Municipalities</b>		<b>985 817</b>	<b>1 135 760</b>	<b>1 168 837</b>	<b>1 916 823</b>	<b>2 200 083</b>	<b>2 178 134</b>
B	EC141 Elundini	101 878	132 254	134 621	190 655	227 636	236 434
B	EC142 Senqu	110 942	135 923	136 091	162 773	202 620	207 165
B	EC143 Maletswai	25 392	27 431	27 599	41 356	42 603	43 322
B	EC144 Gariep	26 296	27 589	26 766	41 006	41 759	41 439
C	DC14 Joe Gqabi District Municipality	194 848	213 968	229 780	396 703	424 412	435 159
<b>Total: Joe Gqabi Municipalities</b>		<b>459 356</b>	<b>537 165</b>	<b>554 857</b>	<b>832 493</b>	<b>939 030</b>	<b>963 519</b>
B	EC153 Ngquza Hill	153 542	200 006	202 325	400 250	455 967	468 298
B	EC154 Port St Johns	93 453	120 820	122 183	158 697	186 907	170 330
B	EC155 Nyandeni	169 496	216 524	218 793	253 672	325 831	337 189
B	EC156 Mhlontlo	127 895	159 395	158 578	176 525	232 129	229 593
B	EC157 King Sabata Dalindyebo	206 246	250 585	254 143	343 080	413 781	425 880
C	DC15 O.R.Tambo District Municipality	552 334	622 004	673 550	1 559 061	1 707 119	1 818 779
<b>Total: O.R.Tambo Municipalities</b>		<b>1 302 966</b>	<b>1 569 334</b>	<b>1 629 572</b>	<b>2 891 285</b>	<b>3 321 734</b>	<b>3 450 069</b>
B	EC441 Matatiele	138 979	176 035	176 741	247 745	306 211	317 820
B	EC442 Umzimvubu	136 168	169 714	168 943	220 464	302 724	310 486
B	EC443 Mbizana	145 251	181 912	181 688	251 223	299 696	296 578
B	EC444 Ntabankulu	79 930	99 000	98 423	151 525	192 130	193 151
C	DC44 Alfred Nzo District Municipality	344 812	372 946	396 351	896 443	908 338	1 094 702
<b>Total: Alfred Nzo Municipalities</b>		<b>845 140</b>	<b>999 607</b>	<b>1 022 146</b>	<b>1 767 400</b>	<b>2 009 099</b>	<b>2 212 737</b>
<b>Total: Eastern Cape Municipalities</b>		<b>6 858 777</b>	<b>7 758 145</b>	<b>7 953 651</b>	<b>13 883 249</b>	<b>15 578 620</b>	<b>16 366 314</b>

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

		EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
Category	Municipality	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>FREE STATE</b>							
A	MAN Mangaung	603 581	594 328	586 994	1 343 013	1 332 166	1 371 567
B	FS161 Letsemeng	50 185	49 845	47 031	89 988	134 313	140 312
B	FS162 Kopanong	82 502	78 397	70 209	136 981	141 277	134 735
B	FS163 Mohokare	52 966	54 825	53 784	122 082	149 908	86 961
B	FS164 Naledi	39 311	40 935	40 215	64 552	67 928	63 324
C	DC16 Xhariep District Municipality	27 876	30 784	31 295	32 992	34 893	35 574
<b>Total: Xhariep Municipalities</b>		<b>252 840</b>	<b>254 786</b>	<b>242 534</b>	<b>446 595</b>	<b>528 319</b>	<b>460 906</b>
B	FS181 Masilonyana	84 850	88 282	86 079	163 522	184 307	191 218
B	FS182 Tokologo	43 895	44 749	43 070	76 872	104 154	94 227
B	FS183 Tswelopele	62 071	62 467	58 962	89 877	86 716	83 952
B	FS184 Matjhabeng	416 018	401 882	376 369	590 535	543 138	521 966
B	FS185 Nala	126 199	120 751	108 164	194 226	169 678	150 005
C	DC18 Lejweleputswa District Municipality	104 747	110 512	112 236	108 706	114 834	116 739
<b>Total: Lejweleputswa Municipalities</b>		<b>837 780</b>	<b>828 643</b>	<b>784 880</b>	<b>1 223 738</b>	<b>1 202 827</b>	<b>1 158 107</b>
B	FS191 Setsoto	165 381	166 155	157 681	250 378	245 416	249 528
B	FS192 Dihlabeng	131 369	132 147	129 132	217 280	209 034	220 145
B	FS193 Nketoana	79 011	80 443	77 909	143 468	151 844	165 768
B	FS194 Maluti-a-Phofung	392 154	450 848	465 695	627 035	681 827	716 385
B	FS195 Phumelela	58 325	60 252	58 855	121 068	119 009	99 767
B	FS196 Mantsopa	67 921	69 105	66 730	105 313	112 579	113 108
C	DC19 Thabo Mofutsanyana District Municipality	86 946	97 079	98 845	92 297	101 521	103 470
<b>Total: Thabo Mofutsanyana Municipalities</b>		<b>981 107</b>	<b>1 056 029</b>	<b>1 054 847</b>	<b>1 556 839</b>	<b>1 621 230</b>	<b>1 668 171</b>
B	FS201 Moqhaka	167 294	169 819	165 644	256 026	256 142	263 522
B	FS203 Ngwathe	160 231	165 946	163 623	222 726	230 650	246 166
B	FS204 Metsimaholo	107 542	115 040	123 386	166 879	186 397	194 531
B	FS205 Mafube	76 678	78 521	76 194	125 130	146 582	163 476
C	DC20 Fezile Dabi District Municipality	137 551	140 157	142 149	142 499	144 413	146 586
<b>Total: Fezile Dabi Municipalities</b>		<b>649 296</b>	<b>669 483</b>	<b>670 996</b>	<b>913 260</b>	<b>964 184</b>	<b>1 014 281</b>
<b>Total: Free State Municipalities</b>		<b>3 324 604</b>	<b>3 403 269</b>	<b>3 340 251</b>	<b>5 483 445</b>	<b>5 648 726</b>	<b>5 673 032</b>
<b>GAUTENG</b>							
A	EKU Ekurhuleni	2 042 951	2 173 369	2 374 368	4 333 661	4 598 767	4 913 242
A	JHB City of Johannesburg	2 534 723	2 846 914	3 186 449	5 584 810	6 026 859	6 498 891
A	TSH City of Tshwane	1 375 518	1 642 734	1 877 110	4 294 868	4 437 899	4 845 505
B	GT421 Emfuleni	602 144	599 185	594 434	928 650	1 026 698	1 137 907
B	GT422 Midvaal	60 716	67 900	76 071	184 071	214 447	121 127
B	GT423 Lesedi	71 665	82 464	91 357	107 853	125 774	140 925
C	DC42 Sedibeng District Municipality	239 539	245 811	250 937	244 981	250 453	255 846
<b>Total: Sedibeng Municipalities</b>		<b>974 064</b>	<b>995 360</b>	<b>1 012 799</b>	<b>1 465 555</b>	<b>1 617 372</b>	<b>1 655 805</b>
B	GT481 Mogale City	238 641	257 793	285 003	367 653	388 532	418 877
B	GT482 Randfontein	100 395	103 247	106 247	139 862	148 472	161 005
B	GT483 Westonaria	113 718	126 795	135 725	226 375	190 062	224 259
B	GT484 Merafong City	175 979	167 895	158 179	248 896	237 049	239 920
C	DC48 West Rand District Municipality	178 344	184 922	189 029	182 713	193 188	197 852
<b>Total: West Rand Municipalities</b>		<b>807 077</b>	<b>840 652</b>	<b>874 183</b>	<b>1 165 499</b>	<b>1 157 303</b>	<b>1 241 913</b>
<b>Total: Gauteng Municipalities</b>		<b>7 734 333</b>	<b>8 499 029</b>	<b>9 324 909</b>	<b>16 844 393</b>	<b>17 838 200</b>	<b>19 155 356</b>

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

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>KWAZULU-NATAL</b>							
A	ETH eThekweni	1 990 048	2 097 814	2 244 029	4 804 076	5 068 083	5 368 102
B	KZN211 Vulamehlo	48 657	62 344	62 761	81 595	105 140	107 028
B	KZN212 Umdoni	43 638	60 153	63 794	67 292	83 958	93 568
B	KZN213 Umzombe	105 320	127 211	125 847	204 055	230 372	227 669
B	KZN214 uMuziwabantu	59 072	75 863	77 049	84 702	101 635	105 884
B	KZN215 Ezingoleni	34 499	43 308	43 775	52 836	60 689	64 814
B	KZN216 Hibiscus Coast	103 406	124 645	130 213	183 467	211 171	219 705
C	DC21 Ugu District Municipality	319 564	361 255	394 223	635 035	763 107	835 770
<b>Total: Ugu Municipalities</b>		<b>714 156</b>	<b>854 779</b>	<b>897 662</b>	<b>1 308 982</b>	<b>1 556 072</b>	<b>1 654 438</b>
B	KZN221 uMshwathi	69 377	84 554	85 689	101 973	120 625	123 021
B	KZN222 uMngeni	40 229	43 747	46 376	65 178	76 792	80 362
B	KZN223 Mprofana	24 807	27 416	27 516	45 682	52 854	53 510
B	KZN224 Impendle	28 057	32 796	32 722	46 971	58 000	58 471
B	KZN225 Msunduzi	373 541	392 761	413 174	669 910	867 950	895 383
B	KZN226 Mkhambathini	39 424	51 162	52 458	64 624	80 137	82 212
B	KZN227 Richmond	41 243	53 925	55 874	62 725	82 994	85 778
C	DC22 Umgungundlovu District Municipality	366 806	397 401	430 258	500 489	573 275	580 626
<b>Total: Umgungundlovu Municipalities</b>		<b>983 484</b>	<b>1 083 762</b>	<b>1 144 067</b>	<b>1 557 552</b>	<b>1 912 627</b>	<b>1 959 363</b>
B	KZN232 Emnambithi/Ladysmith	118 419	129 021	129 037	230 300	235 437	241 729
B	KZN233 Indaka	67 255	75 582	74 021	92 740	110 727	110 198
B	KZN234 Umtshezi	39 294	49 735	52 011	93 087	102 311	110 192
B	KZN235 Okhahlamba	79 269	98 010	97 758	121 101	146 695	148 042
B	KZN236 Imbabazane	73 871	84 625	82 895	100 392	119 251	118 624
C	DC23 Uthukela District Municipality	286 962	305 091	324 220	530 503	582 104	628 835
<b>Total: Uthukela Municipalities</b>		<b>665 070</b>	<b>742 064</b>	<b>759 942</b>	<b>1 168 123</b>	<b>1 296 525</b>	<b>1 357 620</b>
B	KZN241 Endumeni	37 042	40 991	41 713	63 109	68 551	69 853
B	KZN242 Nqutu	92 161	115 441	115 392	138 498	193 045	197 395
B	KZN244 Msinga	100 755	133 749	136 793	212 931	264 915	276 763
B	KZN245 Umvoti	62 571	84 593	88 553	105 920	144 223	157 216
C	DC24 Umzinyathi District Municipality	213 364	239 080	259 675	561 555	758 457	570 264
<b>Total: Umzinyathi Municipalities</b>		<b>505 893</b>	<b>613 854</b>	<b>642 126</b>	<b>1 082 013</b>	<b>1 429 191</b>	<b>1 271 491</b>
B	KZN252 Newcastle	284 747	296 709	296 695	421 919	486 625	493 220
B	KZN253 Emadlangeni	17 467	21 011	21 210	38 401	43 155	43 759
B	KZN254 Dannhauser	60 118	74 058	73 979	88 774	103 215	99 121
C	DC25 Amajuba District Municipality	112 385	120 708	128 382	172 105	186 072	191 110
<b>Total: Amajuba Municipalities</b>		<b>474 717</b>	<b>512 486</b>	<b>520 266</b>	<b>721 199</b>	<b>819 067</b>	<b>827 210</b>

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

		EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
Category	Municipality	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
B	KZN261 eDumbe	46 398	57 334	57 569	75 404	87 952	89 000
B	KZN262 uPhongolo	76 982	96 330	97 415	120 492	147 432	150 087
B	KZN263 Abaqulusi	95 434	113 865	115 440	157 139	188 823	193 362
B	KZN265 Nongoma	96 234	123 456	123 752	224 824	244 473	242 209
B	KZN266 Ulundi	101 284	127 757	126 931	153 091	183 361	184 486
C	DC26 Zululand District Municipality	297 420	321 220	343 697	642 884	756 372	857 868
<b>Total: Zululand Municipalities</b>		<b>713 752</b>	<b>839 962</b>	<b>864 804</b>	<b>1 373 834</b>	<b>1 608 413</b>	<b>1 717 012</b>
B	KZN271 Umhlabuyalingana	87 707	120 673	124 992	124 286	166 716	172 641
B	KZN272 Jozini	103 677	136 083	138 265	162 925	213 068	218 351
B	KZN273 The Big 5 False Bay	22 485	30 910	32 405	44 375	53 313	55 321
B	KZN274 Hlabisa	37 118	49 131	50 132	70 278	86 013	87 672
B	KZN275 Mtubatuba	81 379	116 105	121 442	135 046	187 851	196 536
C	DC27 Umkhanyakude District Municipality	226 251	263 765	290 128	861 341	648 992	698 662
<b>Total: Umkhanyakude Municipalities</b>		<b>558 617</b>	<b>716 667</b>	<b>757 364</b>	<b>1 398 251</b>	<b>1 355 953</b>	<b>1 429 183</b>
B	KZN281 Mfolozi	67 439	93 409	96 596	100 080	145 162	150 307
B	KZN282 uMhlathuze	204 800	227 883	241 990	378 967	432 331	403 672
B	KZN283 Ntambanana	30 881	42 192	42 364	50 314	70 238	70 505
B	KZN284 uMlalazi	110 939	144 684	147 228	243 102	270 797	252 555
B	KZN285 Mthonjaneni	31 674	38 660	38 773	66 688	64 563	65 262
B	KZN286 Nkandla	65 977	82 543	82 178	102 195	141 725	143 694
C	DC28 Uthungulu District Municipality	382 129	409 286	442 161	781 730	1 064 537	865 983
<b>Total: Uthungulu Municipalities</b>		<b>893 839</b>	<b>1 038 657</b>	<b>1 091 290</b>	<b>1 723 076</b>	<b>2 189 353</b>	<b>1 951 978</b>
B	KZN291 Mandeni	90 414	118 527	122 464	165 001	195 649	202 724
B	KZN292 KwaDukuza	87 677	103 813	112 289	155 339	167 575	178 292
B	KZN293 Ndwedwe	82 803	109 350	110 993	208 978	215 484	205 376
B	KZN294 Maphumulo	61 091	74 554	74 142	149 060	153 540	156 453
C	DC29 iLembe District Municipality	290 468	336 439	372 497	615 775	827 098	844 566
<b>Total: iLembe Municipalities</b>		<b>612 453</b>	<b>742 683</b>	<b>792 385</b>	<b>1 294 153</b>	<b>1 559 346</b>	<b>1 587 411</b>
B	KZN431 Ingwe	66 031	82 678	83 187	98 484	132 883	135 222
B	KZN432 Kwa Sani	13 627	15 136	15 086	24 920	25 609	26 604
B	KZN433 Greater Kokstad	47 616	47 323	43 451	73 549	75 605	101 099
B	KZN434 Ubuhlebezwe	66 977	85 018	85 758	106 570	139 248	141 870
B	KZN435 Umzimkhulu	116 142	150 282	152 963	210 010	238 667	244 638
C	DC43 Harry Gwala District Municipality	230 622	245 003	259 532	483 522	526 538	683 066
<b>Total: Sisonke Municipalities</b>		<b>541 015</b>	<b>625 440</b>	<b>639 977</b>	<b>997 055</b>	<b>1 138 550</b>	<b>1 332 499</b>
<b>Total: KwaZulu-Natal Municipalities</b>		<b>8 653 044</b>	<b>9 868 168</b>	<b>10 353 912</b>	<b>17 428 314</b>	<b>19 933 180</b>	<b>20 456 307</b>

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

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>LIMPOPO</b>							
B	LIM331 Greater Giyani	173 816	221 802	225 314	283 931	340 141	346 721
B	LIM332 Greater Letaba	167 589	208 754	210 859	349 350	396 282	402 191
B	LIM333 Greater Tzaneen	235 717	288 119	294 096	386 269	476 995	477 695
B	LIM334 Ba-Phalaborwa	83 256	107 603	111 219	131 000	162 725	172 454
B	LIM335 Maruleng	71 904	92 648	94 652	116 367	140 882	143 488
C	DC33 Mopani District Municipality	561 080	631 427	691 597	1 212 137	1 373 522	1 341 612
<b>Total: Mopani Municipalities</b>		<b>1 293 362</b>	<b>1 550 353</b>	<b>1 627 737</b>	<b>2 479 054</b>	<b>2 890 547</b>	<b>2 884 161</b>
B	LIM341 Musina	38 966	47 620	51 063	64 860	82 117	87 064
B	LIM342 Mutale	64 971	88 793	92 164	103 525	143 972	149 872
B	LIM343 Thulamela	338 467	432 118	443 807	684 027	778 712	788 328
B	LIM344 Makhado	287 643	354 049	361 478	444 365	530 938	550 991
C	DC34 Vhembe District Municipality	592 795	681 139	750 765	1 242 715	1 523 305	1 779 156
<b>Total: Vhembe Municipalities</b>		<b>1 322 842</b>	<b>1 603 719</b>	<b>1 699 277</b>	<b>2 539 492</b>	<b>3 059 044</b>	<b>3 355 411</b>
B	LIM351 Blouberg	117 073	147 530	148 949	173 196	218 790	230 365
B	LIM352 Aganang	98 119	123 182	123 637	146 127	185 943	188 292
B	LIM353 Molemole	89 014	106 570	106 230	128 810	147 742	149 136
B	LIM354 Polokwane	455 799	520 607	567 041	1 063 143	1 161 662	1 229 664
B	LIM355 Lepele-Nkumpi	161 207	204 682	206 840	229 933	281 935	287 593
C	DC35 Capricorn District Municipality	465 510	502 596	540 985	816 272	895 620	980 787
<b>Total: Capricorn Municipalities</b>		<b>1 386 722</b>	<b>1 605 167</b>	<b>1 693 682</b>	<b>2 557 481</b>	<b>2 891 692</b>	<b>3 065 837</b>
B	LIM361 Thabazimbi	60 733	59 864	59 030	101 462	105 798	114 538
B	LIM362 Lephalela	86 865	91 578	94 719	163 808	169 631	245 838
B	LIM364 Mookgopong	33 945	41 433	44 369	53 829	60 621	64 303
B	LIM365 Modimolle	58 643	59 688	58 443	100 943	96 365	97 092
B	LIM366 Bela-Bela	54 332	63 253	68 258	82 262	89 603	95 615
B	LIM367 Mogalakwena	293 263	341 381	354 048	569 587	695 744	724 117
C	DC36 Waterberg District Municipality	99 036	106 044	108 346	103 999	110 100	112 561
<b>Total: Waterberg Municipalities</b>		<b>686 817</b>	<b>763 241</b>	<b>787 213</b>	<b>1 175 890</b>	<b>1 327 862</b>	<b>1 454 064</b>
B	LIM471 Ephraim Mogale	91 614	118 427	121 678	135 728	167 808	173 200
B	LIM472 Elias Motsoaledi	166 920	212 892	217 043	232 127	296 039	295 082
B	LIM473 Makhuduthamaga	181 770	228 456	231 637	262 404	315 089	321 724
B	LIM474 Fetakgomo	63 620	83 127	84 749	98 414	132 556	136 566
B	LIM475 Greater Tubatse	182 650	245 662	257 340	330 186	441 115	456 319
C	DC47 Sekhukhune District Municipality	467 284	546 156	607 356	1 563 578	1 768 219	1 867 289
<b>Total: Sekhukhune Municipalities</b>		<b>1 153 858</b>	<b>1 434 720</b>	<b>1 519 803</b>	<b>2 622 437</b>	<b>3 120 826</b>	<b>3 250 180</b>
<b>Total: Limpopo Municipalities</b>		<b>5 843 601</b>	<b>6 957 200</b>	<b>7 327 712</b>	<b>11 374 354</b>	<b>13 289 971</b>	<b>14 009 653</b>
<b>MPUMALANGA</b>							
B	MP301 Albert Luthuli	188 970	218 951	227 278	304 660	367 413	369 493
B	MP302 Msukaligwa	114 917	121 213	126 032	208 534	213 183	225 594
B	MP303 Mkhondo	127 313	152 821	163 039	241 848	278 006	298 684
B	MP304 Pixley Ka Seme	87 956	91 163	89 202	127 184	139 071	142 788
B	MP305 Lekwa	85 034	88 235	89 898	124 252	122 519	127 426
B	MP306 Dipaleseng	48 618	52 488	53 841	72 737	78 808	84 534
B	MP307 Govan Mbeki	193 583	194 291	196 440	302 401	294 989	303 227
C	DC30 Gert Sibande District Municipality	265 947	270 998	275 685	381 781	410 348	432 004
<b>Total: Gert Sibande Municipalities</b>		<b>1 112 338</b>	<b>1 190 160</b>	<b>1 221 415</b>	<b>1 763 397</b>	<b>1 904 337</b>	<b>1 983 750</b>
B	MP311 Victor Khanye	59 142	67 153	72 430	90 472	101 108	110 944
B	MP312 Emalahleni	207 754	228 158	255 184	347 778	401 320	450 573
B	MP313 Steve Tshwete	103 556	119 110	136 097	165 963	183 254	205 764
B	MP314 Emakhazeni	42 280	48 369	51 566	66 762	74 624	78 666
B	MP315 Thembisile Hani	259 924	299 810	314 819	414 776	469 370	492 724
B	MP316 Dr JS Moroka	270 810	314 851	322 068	432 552	481 149	491 446
C	DC31 Nkangala District Municipality	318 017	326 271	333 698	344 272	358 498	369 539
<b>Total: Nkangala Municipalities</b>		<b>1 261 483</b>	<b>1 403 722</b>	<b>1 485 862</b>	<b>1 862 575</b>	<b>2 069 323</b>	<b>2 199 656</b>
B	MP321 Thaba Chweu	90 485	104 354	114 240	161 980	237 951	257 667
B	MP322 Mbombela	388 663	460 158	502 938	1 004 606	1 041 695	1 164 731
B	MP323 Umjindi	58 318	67 187	71 885	118 771	222 620	235 441
B	MP324 Nkomazi	339 878	422 237	449 750	639 439	843 468	897 144
B	MP325 Bushbuckridge	545 094	648 705	677 568	1 021 567	1 257 948	1 333 131
C	DC32 Ehlanzeni District Municipality	199 678	217 562	223 374	282 842	275 922	307 049
<b>Total: Ehlanzeni Municipalities</b>		<b>1 622 116</b>	<b>1 920 203</b>	<b>2 039 755</b>	<b>3 229 205</b>	<b>3 879 604</b>	<b>4 195 163</b>
<b>Total: Mpumalanga Municipalities</b>		<b>3 995 937</b>	<b>4 514 085</b>	<b>4 747 032</b>	<b>6 855 177</b>	<b>7 853 264</b>	<b>8 378 569</b>

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

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>NORTHERN CAPE</b>							
B	NC061 Richtersveld	12 817	13 385	13 420	33 534	36 121	31 781
B	NC062 Nama Khoi	35 295	36 727	37 332	54 252	59 185	60 442
B	NC064 Kamiesberg	15 154	17 646	18 209	28 017	30 048	29 932
B	NC065 Hantam	20 566	20 616	20 102	36 361	51 122	44 030
B	NC066 Karoo Hoogland	14 669	15 790	16 407	27 893	27 243	28 708
B	NC067 Khâi-Ma	13 821	14 867	15 359	27 149	29 635	28 466
C	DC6 Namakwa District Municipality	34 464	35 494	35 915	37 648	40 087	40 900
<b>Total: Namakwa Municipalities</b>		<b>146 786</b>	<b>154 525</b>	<b>156 744</b>	<b>244 854</b>	<b>273 441</b>	<b>264 259</b>
B	NC071 Ubuntu	21 614	25 201	26 282	36 503	43 031	39 550
B	NC072 Umsobomvu	32 382	34 906	35 718	78 764	86 285	73 710
B	NC073 Emthanjeni	35 342	35 873	35 040	68 124	56 552	79 160
B	NC074 Kâreeberg	15 096	17 995	18 867	29 067	50 876	31 786
B	NC075 Renosterberg	16 521	18 176	18 589	32 996	29 599	42 333
B	NC076 Thembelihle	16 735	18 656	19 200	40 936	43 360	35 956
B	NC077 Siyathemba	22 445	24 197	24 931	39 047	38 007	38 673
B	NC078 Siyancuma	38 021	39 510	38 827	60 010	62 566	61 635
C	DC7 Pixley Ka Seme District Municipality	32 052	36 079	36 840	36 236	40 953	42 131
<b>Total: Pixley Ka Seme Municipalities</b>		<b>230 208</b>	<b>250 593</b>	<b>254 294</b>	<b>421 683</b>	<b>451 229</b>	<b>444 934</b>
B	NC081 Mier	12 321	14 570	14 920	25 547	27 327	88 117
B	NC082 !Kai !Garib	50 293	52 018	52 758	77 583	76 967	78 729
B	NC083 //Khara Hais	56 129	57 428	58 653	88 730	88 102	97 299
B	NC084 !Kheis	17 963	19 681	20 037	32 531	47 917	48 479
B	NC085 Tsantsabane	27 070	28 125	28 705	56 431	58 216	58 679
B	NC086 Kgatelopele	16 094	17 071	17 660	30 607	32 406	35 461
C	DC8 Z.F. Mgcawu District Municipality	47 645	50 930	51 978	50 829	55 541	56 983
<b>Total: Siyanda Municipalities</b>		<b>227 515</b>	<b>239 823</b>	<b>244 711</b>	<b>362 258</b>	<b>386 476</b>	<b>463 747</b>
B	NC091 Sol Plaatjie	145 440	142 823	139 575	237 584	220 550	217 332
B	NC092 Dikgatlong	51 671	58 109	59 739	87 877	109 931	112 956
B	NC093 Magareng	32 090	34 771	35 020	47 759	48 825	63 743
B	NC094 Phokwane	71 353	77 271	78 258	120 238	132 916	109 347
C	DC9 Frances Baard District Municipality	97 428	103 853	110 545	100 618	108 225	115 291
<b>Total: Frances Baard Municipalities</b>		<b>397 982</b>	<b>416 827</b>	<b>423 137</b>	<b>594 076</b>	<b>620 447</b>	<b>618 669</b>
B	NC451 Joe Morolong	93 255	114 787	117 715	255 003	262 013	281 137
B	NC452 Ga-Segonyana	86 992	109 209	117 469	238 675	259 047	272 444
B	NC453 Gamagara	22 045	22 935	24 495	49 879	61 051	85 555
C	DC45 John Taolo Gaetsewe District Municipality	61 385	64 952	66 861	68 794	72 924	76 027
<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>263 677</b>	<b>311 883</b>	<b>326 540</b>	<b>612 351</b>	<b>655 035</b>	<b>715 163</b>
<b>Total: Northern Cape Municipalities</b>		<b>1 266 168</b>	<b>1 373 651</b>	<b>1 405 426</b>	<b>2 235 222</b>	<b>2 386 628</b>	<b>2 506 772</b>
<b>NORTH WEST</b>							
B	NW371 Moretele	209 553	261 158	270 496	353 911	415 726	456 541
B	NW372 Madibeng	367 236	454 767	505 482	716 217	834 702	939 255
B	NW373 Rustenburg	333 249	395 722	451 764	1 079 670	1 241 833	1 368 349
B	NW374 Kgetlengrivier	50 398	57 411	60 960	86 146	106 609	112 390
B	NW375 Moses Kotane	275 714	322 129	331 607	472 656	525 925	539 254
C	DC37 Bojanala Platinum District Municipality	265 044	284 495	293 182	270 186	288 722	297 675
<b>Total: Bojanala Platinum Municipalities</b>		<b>1 501 194</b>	<b>1 775 682</b>	<b>1 913 491</b>	<b>2 978 786</b>	<b>3 413 517</b>	<b>3 713 464</b>
B	NW381 Ratlou	82 376	99 724	99 416	121 871	143 830	141 440
B	NW382 Tswaing	74 220	86 125	86 259	112 790	131 426	141 438
B	NW383 Mafikeng	144 793	173 208	176 132	236 392	263 220	275 268
B	NW384 Ditsobotla	88 496	96 125	96 468	139 063	166 935	171 709
B	NW385 Ramotshere Moiloa	102 166	127 202	128 480	182 407	201 511	218 548
C	DC38 Ngaka Modiri Molema District Municipality	465 801	509 889	552 149	871 658	1 041 270	1 106 328
<b>Total: Ngaka Modiri Molema Municipalities</b>		<b>957 852</b>	<b>1 092 273</b>	<b>1 138 904</b>	<b>1 664 181</b>	<b>1 948 192</b>	<b>2 054 731</b>
B	NW392 Naledi	36 699	39 510	39 571	89 306	92 737	99 784
B	NW393 Mamusa	37 162	43 136	43 690	61 641	74 952	77 134
B	NW394 Greater Taung	134 670	171 845	172 852	196 614	231 389	234 985
B	NW396 Lekwa-Teemane	32 710	37 370	38 013	59 832	72 463	74 214
B	NW397 NW397	83 391	102 622	102 534	136 146	157 394	158 576
C	DC39 Dr Ruth Segomotsi Mompoti District Municipality	223 475	260 964	284 932	519 479	514 654	607 301
<b>Total: Dr Ruth Segomotsi Mompoti Municipalities</b>		<b>548 107</b>	<b>655 447</b>	<b>681 592</b>	<b>1 063 018</b>	<b>1 143 589</b>	<b>1 251 994</b>
B	NW401 Ventersdorp	54 971	63 333	66 260	96 793	99 042	101 585
B	NW402 Tlokwe	103 841	118 723	132 919	161 721	196 149	245 710
B	NW403 City of Matielosa	339 136	338 618	333 386	464 208	463 034	468 440
B	NW404 Maquassi Hills	85 790	91 784	92 680	166 760	199 183	147 299
C	DC40 Dr Kenneth Kaunda District Municipality	160 481	165 730	169 399	165 466	170 099	173 959
<b>Total: Dr Kenneth Kaunda Municipalities</b>		<b>744 219</b>	<b>778 188</b>	<b>794 644</b>	<b>1 054 948</b>	<b>1 127 507</b>	<b>1 136 993</b>
<b>Total: North West Municipalities</b>		<b>3 751 372</b>	<b>4 301 590</b>	<b>4 528 631</b>	<b>6 760 933</b>	<b>7 632 805</b>	<b>8 157 182</b>

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

		EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
Category	Municipality	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>WESTERN CAPE</b>							
A	CPT City of Cape Town	1 497 082	1 796 324	2 025 823	4 537 750	4 614 107	4 947 274
B	WC011 Matzikama	39 922	41 267	42 803	72 709	87 989	99 188
B	WC012 Cederberg	30 797	34 098	36 597	72 289	85 087	83 002
B	WC013 Bergrivier	27 489	30 412	33 422	46 970	50 175	53 885
B	WC014 Saldanha Bay	46 415	55 108	62 237	70 274	79 612	87 670
B	WC015 Swartland	43 093	55 490	64 375	77 721	93 396	104 476
C	DC1 West Coast District Municipality	75 984	80 493	82 571	111 128	115 129	139 313
<b>Total: West Coast Municipalities</b>		<b>263 700</b>	<b>296 868</b>	<b>322 005</b>	<b>451 091</b>	<b>511 388</b>	<b>567 534</b>
B	WC022 Witzenberg	54 124	58 709	63 984	83 476	83 128	91 472
B	WC023 Drakenstein	85 321	96 228	106 387	137 343	151 799	158 368
B	WC024 Stellenbosch	65 606	84 237	97 061	125 927	154 429	192 395
B	WC025 Breede Valley	74 231	81 182	88 420	123 635	145 131	172 090
B	WC026 Langeberg	55 756	57 186	58 711	81 859	82 536	85 006
C	DC2 Cape Winelands District Municipality	213 606	217 012	220 773	216 790	221 613	225 774
<b>Total: Cape Winelands Municipalities</b>		<b>548 644</b>	<b>594 554</b>	<b>635 336</b>	<b>769 030</b>	<b>838 636</b>	<b>925 105</b>
B	WC031 Theewaterskloof	62 481	68 141	73 247	108 491	106 176	113 451
B	WC032 Overstrand	52 021	64 199	72 027	78 847	90 252	99 134
B	WC033 Cape Agulhas	19 386	20 615	22 112	37 717	46 136	48 077
B	WC034 Swellendam	20 938	21 855	22 812	49 474	36 325	39 810
C	DC3 Overberg District Municipality	50 397	55 183	56 638	53 637	59 553	61 384
<b>Total: Overberg Municipalities</b>		<b>205 223</b>	<b>229 993</b>	<b>246 836</b>	<b>328 166</b>	<b>338 442</b>	<b>361 856</b>
B	WC041 Kannaland	21 140	22 375	22 556	49 797	52 226	55 856
B	WC042 Hessequa	29 993	31 423	33 060	50 743	53 308	51 602
B	WC043 Mossel Bay	54 705	63 321	69 721	89 260	98 386	101 935
B	WC044 George	92 397	100 129	109 720	271 059	280 023	286 495
B	WC045 Oudtshoorn	49 907	54 204	57 242	89 486	105 431	99 594
B	WC047 Bitou	40 946	57 147	65 154	70 774	90 382	100 977
B	WC048 Knysna	44 808	55 858	62 098	74 733	86 174	93 502
C	DC4 Eden District Municipality	134 097	138 960	142 322	169 160	184 309	168 627
<b>Total: Eden Municipalities</b>		<b>467 993</b>	<b>523 417</b>	<b>561 873</b>	<b>865 012</b>	<b>950 239</b>	<b>958 588</b>
B	WC051 Laingsburg	10 908	12 115	12 450	26 112	25 544	26 157
B	WC052 Prince Albert	13 047	15 326	16 168	26 300	28 876	30 040
B	WC053 Beaufort West	38 990	44 066	46 339	88 440	101 342	120 021
C	DC5 Central Karoo District Municipality	16 722	19 898	20 352	21 615	23 909	24 535
<b>Total: Central Karoo Municipalities</b>		<b>79 667</b>	<b>91 405</b>	<b>95 309</b>	<b>170 835</b>	<b>179 671</b>	<b>200 753</b>
<b>Total: Western Cape Municipalities</b>		<b>3 062 309</b>	<b>3 532 561</b>	<b>3 887 182</b>	<b>7 121 884</b>	<b>7 432 483</b>	<b>7 961 110</b>
					<b>363 580</b>	<b>1 261 390</b>	<b>1 395 321</b>
<b>National Total</b>		<b>44 490 145</b>	<b>50 207 698</b>	<b>52 868 706</b>	<b>88 350 551</b>	<b>98 855 267</b>	<b>104 184 215</b>

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

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

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

**(National and Municipal Financial Years)**



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

Category	Municipality	Equitable Share Formula			RSC Levies Replacement			Special Support for Councillor Remuneration and Ward Committees			BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES					
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			2014/15 (R000)		2015/16 (R000)		2016/17 (R000)	
		2014/15 (R000)	2015/16 (R000)	2016/17 (R000)	2014/15 (R000)	2015/16 (R000)	2016/17 (R000)	2014/15 (R000)	2015/16 (R000)	2016/17 (R000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse
		(R000)	(R000)	(R000)	(R000)	(R000)	(R000)	(R000)	(R000)	(R000)						
<b>EASTERN CAPE</b>																
A	BUF	656 674	653 273	641 160												
A	NMA	761 606	771 225	785 837												
B	EC101	38 397	40 712	41 117				2 553	2 668	2 789						
B	EC102	40 393	42 509	41 970				2 036	2 126	2 221						
B	EC103	16 808	19 253	19 582				1 403	1 466	1 532						
B	EC104	67 358	70 636	70 762				4 826	5 041	5 268						
B	EC105	61 447	69 360	72 751				3 447	3 601	3 763						
B	EC106	43 434	52 117	56 170				2 917	3 049	3 188						
B	EC107	19 078	22 069	22 670				1 403	1 466	1 532						
B	EC108	61 101	76 379	85 518				5 028	5 251	5 486						
B	EC109	31 848	35 444	37 159				2 036	2 126	2 221						
C	DC10	17 331	21 887	22 022				57 507	58 932	60 594						
	<b>Total: Cacadu Municipalities</b>	<b>397 195</b>	<b>450 366</b>	<b>469 721</b>				<b>57 507</b>	<b>58 932</b>	<b>60 594</b>						
B	EC121	152 172	198 514	199 926				10 543	11 012	11 506						
B	EC122	180 521	221 550	221 550				10 685	11 162	11 664						
B	EC123	34 362	39 769	39 039				2 400	2 507	2 620						
B	EC124	98 490	114 374	114 374				6 894	7 201	7 525						
B	EC126	67 466	76 724	76 724				4 339	4 531	4 733						
B	EC127	99 389	122 959	122 060				7 096	7 411	7 743						
B	EC128	22 330	25 045	24 672				1 459	1 524	1 594						
C	DC12	393 118	409 127	426 437				270 433	290 538	315 116						
	<b>Total: Amathole Municipalities</b>	<b>1 047 848</b>	<b>1 213 902</b>	<b>1 224 782</b>				<b>270 433</b>	<b>290 538</b>	<b>315 116</b>						
B	EC131	37 462	37 571	35 033				3 102	3 241	3 386						
B	EC132	29 358	36 732	37 276				1 962	2 051	2 146						
B	EC133	19 828	23 616	23 782				1 403	1 466	1 532						
B	EC134	108 994	117 555	115 209				9 307	9 722	10 159						
B	EC135	108 341	138 288	139 000				6 658	8 003	8 367						
B	EC136	85 839	110 315	111 350				6 199	6 479	6 773						
B	EC137	97 101	127 073	128 257				6 894	7 201	7 525						
B	EC138	45 665	56 465	56 363				2 960	3 091	3 228						
C	DC13	356 171	385 038	412 365				57 573	61 853	67 086						
	<b>Total: Chris Hani Municipalities</b>	<b>888 759</b>	<b>1 032 653</b>	<b>1 058 635</b>				<b>57 573</b>	<b>61 853</b>	<b>67 086</b>						
B	EC141	95 679	125 775	127 848				6 199	6 479	6 773						
B	EC142	104 535	129 232	129 100				6 407	6 691	6 991						
B	EC143	23 204	25 444	25 208				2 188	2 287	2 391						
B	EC144	24 473	25 684	24 774				1 823	1 905	1 992						
C	DC14	172 418	189 993	203 948				18 294	19 654	21 317						
	<b>Total: Joe Gqabi Municipalities</b>	<b>420 309</b>	<b>495 828</b>	<b>510 878</b>				<b>18 294</b>	<b>19 654</b>	<b>21 317</b>						
B	EC153	142 857	188 844	190 661				10 685	11 162	11 664						
B	EC154	86 312	113 359	114 383				7 141	7 461	7 800						
B	EC155	158 953	205 512	207 287				10 543	11 012	11 506						
B	EC156	118 933	150 033	148 795				8 962	9 362	9 783						
C	DC15	206 246	250 885	254 143				597 586	65 192	70 639						
	<b>Total: O.R.Tambo Municipalities</b>	<b>1 200 443</b>	<b>1 460 298</b>	<b>1 512 855</b>				<b>37 331</b>	<b>38 997</b>	<b>40 753</b>						
B	EC441	130 017	166 938	166 938				9 307	9 722	10 159						
B	EC442	126 861	159 992	158 784				11 152	11 654	12 182						
B	EC443	134 099	170 258	169 506				6 564	6 860	7 172						
B	EC444	73 366	92 140	91 251				3 358	3 659	3 959						
C	DC44	306 560	332 056	352 287				33 689	36 539	39 525						
	<b>Total: Alfred Nzo Municipalities</b>	<b>770 903</b>	<b>921 119</b>	<b>938 786</b>				<b>31 358</b>	<b>33 689</b>	<b>36 539</b>						
	<b>Total: Eastern Cape Municipalities</b>	<b>6 143 737</b>	<b>6 999 164</b>	<b>7 142 654</b>				<b>500 357</b>	<b>534 705</b>	<b>576 616</b>						



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

Category	Municipality	Equitable Share Formula		RSC Levies Replacement		Special Support for Councillor Remuneration and Ward Committees		BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES										
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year						
		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)	Water	Sanitation	Water	Sanitation					
<b>KWAZULU-NATAL</b>																		
A	ETH eThekweni	1 990 048	2 097 814															
B	KZN211 Vukwazi	45 210	58 743	58 998	79 600	80 509	79 600	80 509	3 601	3 601	3 763	3 763	13 075	10 675	11 706	11 706	16 056	12 555
B	KZN212 Umhlabeni	40 333	56 702	60 189	79 600	80 509	79 600	80 509	3 305	3 305	3 451	3 451	13 002	13 002	14 925	14 925	21 266	16 029
B	KZN213 Umzimbe	98 392	119 970	118 277	118 277	118 277	118 277	118 277	6 928	6 928	7 241	7 241	28 382	23 172	25 356	25 356	34 703	27 137
B	KZN214 Umzimbe	55 767	72 412	73 444	73 444	73 444	73 444	73 444	3 305	3 305	3 451	3 451	17 507	14 294	15 837	15 837	21 947	17 162
B	KZN215 Ezimbeleni	32 463	41 182	41 554	41 554	41 554	41 554	41 554	2 036	2 036	2 126	2 126	9 064	7 400	8 151	8 151	11 229	8 781
B	KZN216 Hibiscus Coast	103 406	124 645	130 213	130 213	130 213	130 213	130 213			37 946	37 946	46 478		42 956	42 956	60 832	47 561
C	DC21 Ugu District Municipality	264 748	330 350	330 350	330 350	330 350	330 350	330 350	54 816	54 816	58 891	58 891	54 816		58 891	58 891	166 023	129 825
	<b>Total: Ugu Municipalities</b>	<b>640 319</b>	<b>776 018</b>	<b>813 025</b>	<b>813 025</b>	<b>813 025</b>	<b>813 025</b>	<b>813 025</b>	<b>19 021</b>	<b>19 021</b>	<b>19 870</b>	<b>19 870</b>	<b>14 831</b>		<b>118 931</b>	<b>118 931</b>	<b>166 023</b>	<b>129 825</b>
B	KZN221 uMkhawathi	64 637	79 600	80 509	79 600	80 509	79 600	80 509	4 740	4 740	4 954	4 954	23 146	18 897	20 067	20 067	27 585	21 570
B	KZN222 uMngeni	36 235	39 576	42 019	42 019	42 019	42 019	42 019	3 994	3 994	4 171	4 171	20 013	16 339	17 757	17 757	24 983	19 536
B	KZN223 Mpondo	23 501	26 052	26 091	26 091	26 091	26 091	26 091	1 306	1 306	1 364	1 364	8 025	6 552	6 901	6 901	9 409	7 358
B	KZN224 Impundulo	26 654	31 330	31 190	31 190	31 190	31 190	31 190	1 403	1 403	1 466	1 466	7 251	5 920	6 183	6 183	8 360	6 537
B	KZN225 Msunduzi	373 541	392 761	413 174	413 174	413 174	413 174	413 174	2 553	2 553	2 668	2 668	13 397	10 122	10 759	10 759	14 805	11 577
B	KZN226 Mthunzini	36 871	48 494	49 669	48 494	49 669	48 494	49 669	2 553	2 553	2 668	2 668	13 397	10 122	10 759	10 759	14 805	11 577
B	KZN227 Richmond	38 690	51 257	53 085	51 257	53 085	51 257	53 085	2 553	2 553	2 668	2 668	13 397	10 122	10 759	10 759	14 805	11 577
C	DC22 Umqungulana District Municipality	124 500	190 299	206 178	192 306	206 602	224 080	224 080	192 306	206 602	224 080	224 080	192 306		224 080	224 080	16 956	13 259
	<b>Total: Umqungulana Municipalities</b>	<b>774 629</b>	<b>859 869</b>	<b>901 915</b>	<b>192 306</b>	<b>206 602</b>	<b>224 080</b>	<b>224 080</b>	<b>16 549</b>	<b>17 291</b>	<b>18 072</b>	<b>18 072</b>	<b>92 437</b>		<b>73 872</b>	<b>73 872</b>	<b>102 098</b>	<b>79 837</b>
B	KZN232 Emambithi/Ladysmith	109 255	119 449	119 036	119 036	119 036	119 036	119 036	9 164	9 164	9 572	9 572	43 356	35 397	36 768	36 768	49 934	39 046
B	KZN233 Inkaba	63 609	71 771	70 037	70 037	70 037	70 037	70 037	3 646	3 646	3 811	3 811	18 315	14 953	15 318	15 318	20 516	16 042
B	KZN234 Umthethi	36 334	46 644	48 783	46 644	48 783	46 644	48 783	2 960	2 960	3 091	3 091	15 032	12 273	13 066	13 066	18 186	14 221
B	KZN235 Okhahlamba	74 443	92 869	92 490	92 869	92 490	92 869	92 490	4 826	4 826	5 041	5 041	24 036	19 624	20 164	20 164	27 087	21 181
B	KZN236 Imbabane	69 283	79 831	77 885	77 885	77 885	77 885	77 885	4 388	4 388	4 794	4 794	19 579	15 985	16 375	16 375	21 932	17 150
C	DC23 Uthukela District Municipality	245 822	260 893	276 283	260 893	276 283	260 893	276 283	41 140	44 198	47 937	47 937	41 140		47 937	47 937	137 655	107 640
	<b>Total: Uthukela Municipalities</b>	<b>598 746</b>	<b>671 357</b>	<b>684 514</b>	<b>41 140</b>	<b>44 198</b>	<b>47 937</b>	<b>47 937</b>	<b>25 184</b>	<b>26 309</b>	<b>27 491</b>	<b>27 491</b>	<b>120 318</b>		<b>101 691</b>	<b>101 691</b>	<b>137 655</b>	<b>107 640</b>
B	KZN241 Ebedweni	31 182	34 870	35 317	34 870	35 317	34 870	35 317	5 860	6 121	6 396	6 396	11 004	8 984	9 997	9 997	14 069	11 001
B	KZN242 Nqutu	85 754	108 750	108 401	108 750	108 401	108 750	108 401	6 407	6 991	7 401	7 401	25 148	20 531	22 295	22 295	30 618	23 942
B	KZN244 Msinga	93 979	126 669	129 392	126 669	129 392	126 669	129 392	6 776	7 080	7 401	7 401	32 905	26 865	29 410	29 410	40 717	31 839
B	KZN245 Umvoti	38 779	80 632	84 414	80 632	84 414	80 632	84 414	3 792	3 961	4 139	4 139	22 512	18 380	20 474	20 474	28 844	22 555
C	DC24 Umzimvubu District Municipality	188 707	212 590	210 944	212 590	210 944	212 590	210 944	24 657	26 490	28 731	28 731	24 657		28 731	28 731	88 474	69 337
	<b>Total: Umzimvubu Municipalities</b>	<b>458 401</b>	<b>563 511</b>	<b>589 468</b>	<b>24 657</b>	<b>26 490</b>	<b>28 731</b>	<b>28 731</b>	<b>22 835</b>	<b>23 853</b>	<b>24 927</b>	<b>24 927</b>	<b>91 569</b>		<b>82 176</b>	<b>82 176</b>	<b>114 248</b>	<b>89 337</b>
B	KZN252 Newcastle	284 747	296 709	296 695	296 709	296 695	296 709	296 695	1 403	1 466	1 552	1 552	4 531	3 699	3 775	3 775	5 095	3 984
B	KZN253 Emmafingeni	16 064	19 545	19 678	16 064	19 545	19 678	16 064	3 839	4 032	4 214	4 214	17 238	14 074	14 428	14 428	19 561	15 296
B	KZN254 Damausker	56 259	70 026	69 705	56 259	69 705	56 259	69 705	60 795	65 938	65 938	65 938	60 795		65 938	65 938	24 656	19 280
C	DC25 Amajuba District Municipality	55 797	62 444	62 444	55 797	62 444	55 797	62 444	56 388	60 795	65 938	65 938	56 388		65 938	65 938	24 656	19 280
	<b>Total: Amajuba Municipalities</b>	<b>412 867</b>	<b>446 193</b>	<b>448 582</b>	<b>56 388</b>	<b>60 795</b>	<b>65 938</b>	<b>65 938</b>	<b>5 262</b>	<b>5 498</b>	<b>5 746</b>	<b>5 746</b>	<b>21 769</b>		<b>17 773</b>	<b>18 203</b>	<b>24 656</b>	<b>19 280</b>



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

Category	Municipality	Equitable Share Formula			RSC Levies Replacement			Special Support for Councillor Remuneration and Ward Committees			BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES					
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
		2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse
<b>LIMPOPO</b>																
B	LIM331	163 475	211 000	214 026				10 341	10 802	11 288	53 771	43 900	60 801	67 786	48 590	53 006
B	LIM332	157 735	198 462	200 105				9 854	10 292	10 754	50 722	41 411	57 729	63 729	45 758	49 834
B	LIM333	235 717	288 119	294 096				6 204	6 481	6 773	87 192	71 186	99 144	111 152	79 232	86 917
B	LIM334	77 052	101 122	104 446				4 953	5 175	5 409	27 581	22 518	31 802	35 475	25 175	27 740
B	LIM335	66 951	87 473	89 243							20 856	17 028	23 673	26 493	18 918	20 716
C	DC33	478 946	543 187	595 892	82 134	88 240	95 705				240 122	196 043	272 778	304 635	217 673	238 213
	<b>Total Mopani Municipalities</b>	<b>1 179 876</b>	<b>1 429 363</b>	<b>1 497 808</b>	<b>82 134</b>	<b>88 240</b>	<b>95 705</b>	<b>31 352</b>	<b>32 750</b>	<b>34 224</b>	<b>267 523</b>	<b>218 414</b>	<b>309 115</b>	<b>348 320</b>	<b>247 032</b>	<b>272 371</b>
B	LIM341	36 778	45 333	48 672				2 188	2 287	2 391	15 992	13 057	19 057	22 144	15 229	17 315
B	LIM342	60 731	83 839	86 984				4 740	4 954	5 180	19 759	16 132	22 993	25 888	18 303	20 243
B	LIM343	338 467	432 118	443 807							126 282	103 100	145 568	163 630	116 332	127 953
B	LIM344	287 463	354 049	361 478							105 490	86 125	121 387	136 658	106 862	116 862
C	DC34	539 622	623 708	688 573	53 373	57 341	62 192				267 523	218 414	309 115	348 320	247 032	272 371
	<b>Total Vhembe Municipalities</b>	<b>1 262 541</b>	<b>1 559 137</b>	<b>1 629 514</b>	<b>53 373</b>	<b>57 341</b>	<b>62 192</b>	<b>6 928</b>	<b>7 241</b>	<b>7 571</b>	<b>37 446</b>	<b>30 572</b>	<b>40 370</b>	<b>44 704</b>	<b>32 762</b>	<b>34 566</b>
B	LIM351	109 977	140 119	141 206				7 096	7 411	7 743	37 446	30 572	40 370	44 704	32 762	34 566
B	LIM352	91 343	116 102	116 236				6 776	7 080	7 401	29 478	24 066	31 614	34 135	25 564	26 927
B	LIM353	84 061	101 395	100 671				4 953	5 175	5 409	26 186	21 379	28 133	30 698	22 483	24 065
B	LIM354	455 069	570 607	567 041				9 854	10 292	10 754	50 337	41 096	54 503	59 937	43 556	46 869
B	LIM355	151 353	194 390	196 086												
B	LIM356	204 733	273 346	345 486	167 777	180 250	195 499				143 447	117 113	154 620	169 274	123 565	132 367
C	DC35	1 190 266	1 394 959	1 466 876	167 777	180 250	195 499	28 679	29 958	31 307	143 447	117 113	154 620	169 274	123 565	132 367
	<b>Total Capricorn Municipalities</b>	<b>3 252 816</b>	<b>3 944 816</b>	<b>4 044 816</b>	<b>1 677 777</b>	<b>1 802 250</b>	<b>1 954 999</b>	<b>39 904</b>	<b>41 171</b>	<b>4 357</b>	<b>37 446</b>	<b>30 572</b>	<b>40 370</b>	<b>44 704</b>	<b>32 762</b>	<b>34 566</b>
B	LIM361	56 719	55 693	54 673				3 994	4 171	4 357						
B	LIM362	82 739	87 257	90 673				4 136	4 321	4 505						
B	LIM363	39 528	42 377	42 377				1 823	1 905	2 002						
B	LIM365	32 122	35 341	35 057				3 102	3 241	3 386						
B	LIM366	51 372	60 102	65 030				2 960	3 091	3 228						
B	LIM367	293 263	341 381	354 048												
C	DC36	25 762	28 965	29 031	75 374	77 139	79 315									
	<b>Total Waterberg Municipalities</b>	<b>695 528</b>	<b>693 373</b>	<b>690 420</b>	<b>75 374</b>	<b>77 139</b>	<b>79 315</b>	<b>16 015</b>	<b>16 729</b>	<b>17 478</b>	<b>26 581</b>	<b>21 701</b>	<b>31 417</b>	<b>35 749</b>	<b>25 107</b>	<b>27 935</b>
B	LIM471	86 099	112 666	115 658				5 515	5 761	6 020						
B	LIM472	156 579	202 090	205 755				10 341	10 802	11 288						
B	LIM473	171 227	217 444	220 131				10 343	11 012	11 506						
B	LIM474	59 032	78 333	79 739				4 588	4 794	5 010						
B	LIM475	171 965	234 500	245 676				10 685	11 162	11 664						
C	DC47	403 271	477 384	532 766	64 013	68 772	74 590									
	<b>Total Sekhukhune District Municipality</b>	<b>1 048 173</b>	<b>1 322 417</b>	<b>1 399 725</b>	<b>64 013</b>	<b>68 772</b>	<b>74 590</b>	<b>41 672</b>	<b>43 531</b>	<b>45 488</b>	<b>200 348</b>	<b>163 569</b>	<b>237 100</b>	<b>270 158</b>	<b>189 481</b>	<b>211 255</b>
	<b>Total Limpopo Municipalities</b>	<b>5 276 384</b>	<b>6 355 249</b>	<b>6 684 343</b>	<b>442 571</b>	<b>471 742</b>	<b>507 301</b>	<b>124 646</b>	<b>130 209</b>	<b>136 068</b>	<b>851 440</b>	<b>695 139</b>	<b>973 213</b>	<b>1 092 387</b>	<b>777 751</b>	<b>854 208</b>



**APPENDIX W1**  
**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**  
**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES +**  
**BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER 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		
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2017/18 (R'000)	Water	Sanitation	Refuse
<b>NORTHERN CAPE</b>															
B	NC061	Richtersveld	11 358	11 826				1 459	1 524						
B	NC062	Nama Khoi	32 165	33 915			3 130	3 269	3 417						
B	NC064	Karasberg	13 751	16 180			1 403	1 466	1 532						
B	NC065	Hantam	18 895	18 871			1 671	1 745	1 823						
B	NC066	Karoo Hoofland	13 266	14 324			1 403	1 466	1 532						
B	NC067	Klii-Ma	12 418	13 401			1 403	1 466	1 532						
C	DC6	Namakwa District Municipality	6 178	6 457		25 671	27 049	2 615	2 730	2 852					
		<b>Total: Namakwa Municipalities</b>	<b>108 031</b>	<b>114 552</b>	<b>115 413</b>	<b>25 671</b>	<b>27 049</b>	<b>13 084</b>	<b>13 666</b>	<b>14 282</b>					
B	NC071	Uburu	20 155	23 677	24 688			1 459	1 524	1 594					
B	NC072	Uitenhaya	20 559	33 001	33 736			1 823	1 905	1 992					
B	NC073	Erinbosch	32 789	33 205	32 251			2 553	2 668	2 789					
B	NC074	Kareeberg	13 790	16 631	17 442			1 306	1 364	1 425					
B	NC075	Renoster	15 118	16 710	17 057			1 403	1 466	1 532					
B	NC077	Thembelille	15 332	17 190	17 668			1 403	1 466	1 532					
B	NC079	Siyambala	20 882	22 673	23 337			1 459	1 524	1 594					
B	NC078	Siyambala	35 985	37 384	36 606			2 036	2 154	2 274					
C	DC7	Pikley Kai Seme District Municipality	1 619	15 073	15 183	17 151	17 576	18 071	18 473	18 265					
		<b>Total: Pikley Kai Seme Municipalities</b>	<b>196 533</b>	<b>215 544</b>	<b>217 958</b>	<b>17 151</b>	<b>17 576</b>	<b>18 071</b>	<b>17 473</b>	<b>18 265</b>					
B	NC081	Mier	10 918	13 104	13 388			1 403	1 466	1 532					
B	NC082	Kat-Gaith	47 333	48 927	49 530			2 460	2 091	3 228					
B	NC083	Khama Hais	51 446	57 537	53 543			4 683	4 891	5 110					
B	NC084	Kheis	16 300	18 215	18 505			1 403	1 466	1 532					
B	NC085	Tsanabane	25 034	25 999	26 484			2 036	2 120	2 211					
B	NC086	Kgandobete	14 653	15 584	15 966			1 459	1 524	1 594					
C	DC8	Z.F. Ngqawu District Municipality	10 492	12 385	13 695	33 504	34 334	35 202	3 649	3 811	3 984				
		<b>Total: Z.F. Ngqawu District Municipality</b>	<b>176 418</b>	<b>187 114</b>	<b>190 211</b>	<b>33 504</b>	<b>34 334</b>	<b>35 202</b>	<b>17 593</b>	<b>18 375</b>	<b>19 198</b>				
B	NC091	Sai Plautjie	145 440	142 823	139 575			2 400	2 507	2 620					
B	NC092	Digantong	49 271	55 602	57 119			1 671	1 745	1 823					
B	NC093	Magareng	30 419	33 026	33 197			3 102	3 241	3 386					
B	NC094	Phakwane	68 231	74 030	74 872			4 683	4 891	5 110					
C	DC9	Frances Baard District Municipality	9 265	10 028	8 977	82 780	88 934	96 458	8 891	9 311	9 731				
		<b>Total: Frances Baard Municipalities</b>	<b>303 346</b>	<b>313 509</b>	<b>313 740</b>	<b>82 780</b>	<b>88 934</b>	<b>96 458</b>	<b>11 856</b>	<b>12 384</b>	<b>12 939</b>				
B	NC451	Joe Morolong	87 938	109 231	111 908			5 317	5 556	5 807					15 774
B	NC452	Go-Segonyana	82 653	104 678	112 736			4 339	4 531	4 733					
B	NC453	Gamagara	20 222	21 030	22 505			1 823	1 905	1 992					
C	DC45	John Tsabo Gaetsewe District Municipality	25 307	27 911	28 715	32 631	33 440	34 383	3 447	3 601	3 763				
		<b>Total: John Tsabo Gaetsewe Municipalities</b>	<b>216 120</b>	<b>262 850</b>	<b>275 862</b>	<b>32 631</b>	<b>33 440</b>	<b>34 383</b>	<b>14 926</b>	<b>15 593</b>	<b>16 295</b>				<b>15 774</b>
		<b>Total: Northern Cape Municipalities</b>	<b>1 000 248</b>	<b>1 095 569</b>	<b>1 113 184</b>	<b>191 737</b>	<b>200 591</b>	<b>211 263</b>	<b>77 491</b>	<b>80 979</b>	<b>84 749</b>				<b>15 774</b>

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

Category	Municipality		Equitable Share Formula		RSC Levies Replacement		Special Support for Councillor Remuneration and Ward Committees		BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES					
	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)
<b>NORTH WEST</b>														
B	NW371	Meerale	199 495	250 648	259 509		10 058	10 510	10 987					
B	NW372	Mafikeng	367 236	454 767	505 482									
B	NW373	Ruimsig	333 249	395 722	451 764									
B	NW374	Kgetlengrui	48 710	55 124	58 569		2 188	2 287	2 391					
B	NW375	Meas, Komas	265 029	319 943	319 943		10 685	11 162	11 664					
C	DC37	Botswana Platinum District Municipality	45 723	59 278	61 614		219 771	225 217	231 568					
		<b>Total Botswana Platinum Municipalities</b>	<b>1 258 492</b>	<b>1 526 506</b>	<b>1 656 881</b>		<b>219 771</b>	<b>225 217</b>	<b>231 568</b>					
B	NW381	Redou	77 271	94 389	93 838									
B	NW382	Tswaing	69 650	80 724	80 615		5 105	5 335	5 578					
B	NW383	Mafikeng	144 793	173 208	176 132		5 170	5 401	5 644					
B	NW384	Ditshobola	81 258	88 564	88 566		7 338	7 561	7 902					
B	NW385	Ratsofane, Mofosa	95 415	120 151	121 113		6 751	7 051	7 367					
C	DC38	Naka, Motiki, Molem, District Municipality	332 375	366 544	396 677		133 426	143 345	155 472					
		<b>Total Naka, Motiki, Molem, District Municipality</b>	<b>800 162</b>	<b>923 580</b>	<b>956 941</b>		<b>133 426</b>	<b>143 345</b>	<b>155 472</b>					
B	NW392	Naledi	33 897	36 269	36 185									
B	NW393	Mamas	34 897	40 248	40 672		3 102	3 241	3 386					
B	NW394	Groot, Tsam	125 341	162 097	162 662		2 765	2 888	3 018					
B	NW396	Lekwa, Tsam	30 157	34 702	35 224		9 239	9 748	10 190					
B	NW397	NW397	77 921	96 906	96 557		2 553	2 688	2 789					
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	187 896	222 891	243 847		5 038	5 251	5 486					
		<b>Total Dr Ruth Segomotsi Mompati Municipalities</b>	<b>489 309</b>	<b>593 113</b>	<b>615 147</b>		<b>30 551</b>	<b>32 822</b>	<b>35 599</b>					
B	NW401	Ventersdorp	52 783	61 046	63 869									
B	NW402	Tloker, Mathesana	103 841	118 733	132 919		2 188	2 287	2 391					
B	NW403	City of Mathesana	359 156	338 618	333 386									
B	NW404	Maquassie Hills	82 141	88 973	88 699		3 649	3 811	3 981					
C	DC40	Dr Kenneth Kaunda District Municipality	18 198	20 156	19 689		142 083	145 604	149 710					
		<b>Total Dr Kenneth Kaunda District Municipality</b>	<b>596 299</b>	<b>626 486</b>	<b>638 562</b>		<b>142 083</b>	<b>145 604</b>	<b>149 710</b>					
		<b>Total North West Municipalities</b>	<b>3 144 262</b>	<b>3 669 685</b>	<b>3 867 531</b>		<b>525 931</b>	<b>546 988</b>	<b>572 349</b>					

National and Municipal Financial Year		Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse
2014/15 (R'000)		2014/15 (R'000)	2014/15 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2015/16 (R'000)	2015/16 (R'000)	2015/16 (R'000)	2015/16 (R'000)	2015/16 (R'000)
		23 580	19 252		25 862	20 668		28 246	22 088	
		23 039	19 544		26 372	21 076		28 931	22 623	
		59 268	48 388		65 710	52 529		72 592	56 764	
		31 980	26 109		35 323	28 229		38 852	30 381	
		31 887	26 033		35 284	28 197		38 879	30 402	
		<b>170 654</b>	<b>139 326</b>		<b>188 571</b>	<b>150 699</b>		<b>207 500</b>	<b>162 258</b>	
		11 612	9 481		13 780	11 013		15 495	12 116	
		10 204	8 331		12 196	9 747		13 813	10 801	
		37 666	30 752		44 278	35 386		49 319	38 566	
		9 698	7 917		11 597	9 268		13 140	10 275	
		22 003	17 964		25 815	20 630		28 697	22 440	
		<b>91 183</b>	<b>74 445</b>		<b>107 666</b>	<b>86 044</b>		<b>120 464</b>	<b>94 198</b>	
		<b>261 837</b>	<b>213 771</b>		<b>296 237</b>	<b>236 743</b>		<b>327 964</b>	<b>256 456</b>	



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

Category	Municipality	Equitable Share Formula		RSC Levies Replacement		Special Support for Councillor Remuneration and Ward Committees		BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES							
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
		2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2014/15 (R'000)	2015/16 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse
<b>WESTERN CAPE</b>															
A	CPT City of Cape Town	1 497 082	1 796 324	2 025 823											
B	WC011 Matielanda	37 307	38 537	39 951			2 615	2 730							
B	WC012 Cederberg	28 761	31 972	34 376			2 036	2 126							
B	WC013 Bergvliet	25 089	27 905	30 802			2 400	2 507							
B	WC014 Saldanha Bay	42 076	50 577	57 504			4 339	4 531							
B	WC015 Swartland	39 069	51 319	60 018			3 994	4 171							
C	DC1 West Coast District Municipality	11 192	14 095	14 301	64 792	66 398	68 270								
	<b>Total West Coast Municipalities</b>	<b>183 524</b>	<b>214 405</b>	<b>236 952</b>	<b>64 792</b>	<b>66 398</b>	<b>68 270</b>	<b>15 384</b>	<b>16 065</b>						
B	WC022 Witzenberg	50 130	54 538	59 627			3 994	4 171							
B	WC023 Drakenstein	85 321	96 228	106 387											
B	WC024 Stellenbosch	67 666	84 232	99 400											
B	WC025 Breede Valley	74 231	81 182	88 454			3 994	4 171							
B	WC026 Langberg	51 762	53 013	54 454											
C	DC2 Cape Winelands District Municipality	34 870	37 178	39 093	206 736	210 834	216 590								
	<b>Total Cape Winelands Municipalities</b>	<b>334 920</b>	<b>375 378</b>	<b>409 842</b>	<b>206 736</b>	<b>210 834</b>	<b>216 590</b>	<b>7 988</b>	<b>8 342</b>						
B	WC031 Theewaterskloof	58 142	63 610	68 514			4 339	4 531							
B	WC032 Overstrand	47 082	59 668	67 244			4 339	4 531							
B	WC033 Cape Agulhas	19 715	18 870	20 289			1 671	1 745							
B	WC034 Saldanha	19 267	20 110	20 989			1 671	1 745							
C	DC3 Overberg District Municipality	11 836	12 613	13 392	34 892	35 757	36 765								
	<b>Total Overberg Municipalities</b>	<b>154 062</b>	<b>177 873</b>	<b>192 978</b>	<b>34 892</b>	<b>35 757</b>	<b>36 765</b>	<b>15 669</b>	<b>16 303</b>						
B	WC041 Kamatlant	19 834	21 011	21 131			1 306	1 364							
B	WC042 Hessequa	27 228	28 335	30 042			2 765	2 888							
B	WC043 Mossel Bay	30 022	38 430	64 611			4 683	4 891							
B	WC044 George	92 397	100 129	109 720			4 339	4 531							
B	WC045 Oudhooen	45 568	49 673	52 509			2 400	2 507							
B	WC047 Bletou	38 546	54 640	62 534			3 305	3 451							
B	WC048 Knysna	41 503	52 407	58 495											
C	DC4 Eden District Municipality	12 720	14 575	14 430	121 377	124 385	127 892								
	<b>Total Eden Municipalities</b>	<b>327 818</b>	<b>379 400</b>	<b>413 470</b>	<b>121 377</b>	<b>124 385</b>	<b>127 892</b>	<b>18 798</b>	<b>19 632</b>						
B	WC051 Langsburg	9 505	10 649	10 918			1 403	1 466							
B	WC052 Prince Albert	11 644	13 860	14 636			2 400	2 507							
B	WC053 Beaufort West	36 590	41 359	43 719			6 317	6 495							
C	DC5 Central Karoo District Municipality	8 138	11 074	11 257	6 164	6 317	6 495								
	<b>Total Central Karoo Municipalities</b>	<b>65 897</b>	<b>77 142</b>	<b>80 510</b>	<b>6 164</b>	<b>6 317</b>	<b>6 495</b>	<b>7 606</b>	<b>7 946</b>						
	<b>Total Western Cape Municipalities</b>	<b>2 563 903</b>	<b>3 020 522</b>	<b>3 359 575</b>	<b>432 961</b>	<b>443 691</b>	<b>456 202</b>	<b>65 145</b>	<b>68 348</b>						
	<b>National Total</b>	<b>39 409 593</b>	<b>44 894 711</b>	<b>47 281 917</b>	<b>4 145 960</b>	<b>4 336 674</b>	<b>4 586 521</b>	<b>934 592</b>	<b>976 313</b>	<b>2 414 662</b>	<b>2 13 999</b>	<b>2 632 520</b>	<b>22 222</b>	<b>3 639 202</b>	<b>2 845 727</b>

**APPENDIX W2**

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT**

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

**(National and Municipal Financial Years)**

## APPENDIX W2

**APPENDIX TO SCHEDULE 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				
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)		
<b>EASTERN CAPE</b>											
B	EC121	Mbhashe	134 640	140 829	147 622				10 988	20 850	12 000
B	EC122	Mnquma	134 257	140 429	147 203				7 500	2 000	2 190
B	EC123	Great Kei	12 041	12 595	13 202						
B	EC124	Amahlathi	40 752	42 625	44 681						
B	EC126	Ngqushwa	26 480	27 697	29 033						
B	EC127	Nkonkobe	34 156	35 726	37 449						
B	EC128	Nxuba	3 257	3 407	3 571						
C	DC12	Amathole District Municipality							10 362	66 000	36 000
<b>Total: Amathole Municipalities</b>			<b>385 583</b>	<b>403 308</b>	<b>422 761</b>				<b>28 850</b>	<b>88 850</b>	<b>50 190</b>
B	EC131	Inxuba Yethemba	2 597	2 602	2 728						
B	EC132	Tsolwana	5 610	5 622	5 893						
B	EC133	Inkwanca	1 057	1 059	1 110						
B	EC134	Lukanji	21 835	21 880	22 936						
B	EC135	Intsika Yethu	76 567	76 725	80 426	9 975	58 372	15 472			
B	EC136	Emalahleni	39 081	39 162	41 051	8 762	10 700	24 429			
B	EC137	Engcobo	75 510	75 666	79 316	8 689	37 393	20 193			
B	EC138	Sakhisizwe	17 736	17 772	18 630	21 102	14 143	10 179			
C	DC13	Chris Hani District Municipality									
<b>Total: Chris Hani Municipalities</b>			<b>239 993</b>	<b>240 488</b>	<b>252 090</b>	<b>48 528</b>	<b>120 608</b>	<b>70 273</b>			
B	EC141	Elundini	74 803	77 460	81 197						
B	EC142	Senqu	49 559	51 319	53 795						
B	EC143	Maletswai	5 007	5 185	5 435		10 000	1 217			
B	EC144	Gariep	2 466	2 553	2 676		10 000	1 100			
C	DC14	Joe Gqabi District Municipality				20 009	5 011	5 011			
<b>Total: Joe Gqabi Municipalities</b>			<b>131 835</b>	<b>136 517</b>	<b>143 103</b>	<b>20 009</b>	<b>25 011</b>	<b>7 328</b>			
B	EC153	Ngquza Hill	126 991	131 612	137 961	33 122	8 000	20 000			
B	EC154	Port St Johns	72 217	74 844	78 455	22 000	64 000	58 000			
B	EC155	Nyandeni	129 445	134 155	140 627	4 500	15 000	40 000			
B	EC156	Mhlontlo	79 504	82 397	86 372	7 476	24 000	34 372			
B	EC157	King Sabata Dalindyebo	146 580	151 914	159 242	22 344	13 303	23 303			
C	DC15	O.R.Tambo District Municipality									
<b>Total: O.R.Tambo Municipalities</b>			<b>554 737</b>	<b>574 922</b>	<b>602 657</b>	<b>89 442</b>	<b>124 303</b>	<b>175 675</b>			
B	EC441	Matatiele	78 477	81 695	85 636				12 700	15 200	38 348
B	EC442	Umzimvubu	80 025	83 306	87 324				14 700	44 671	47 671
B	EC443	Mbizana	118 786	123 657	129 622				13 857	18 600	45 600
B	EC444	Ntabankulu	49 899	51 945	54 451				13 600	12 600	38 600
C	DC44	Alfred Nzo District Municipality									
<b>Total: Alfred Nzo Municipalities</b>			<b>327 187</b>	<b>340 603</b>	<b>357 033</b>				<b>54 857</b>	<b>91 071</b>	<b>170 219</b>
<b>Total: Eastern Cape Municipalities</b>			<b>1 639 335</b>	<b>1 695 838</b>	<b>1 777 644</b>	<b>157 979</b>	<b>269 922</b>	<b>253 276</b>	<b>83 707</b>	<b>179 921</b>	<b>220 409</b>

## 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		
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>KWAZULU-NATAL</b>									
B KZN211 Vulamehlo	26 831	27 752	29 091		8 317	19 307			
B KZN212 Umdoni	16 945	17 527	18 373		4 752	7 723			
B KZN213 Umzumbi	72 600	75 094	78 716	9 243	39 207	46 337			
B KZN214 uMuziwabantu	29 816	30 840	32 328		9 505	18 020			
B KZN215 Ezingoleni	13 127	13 578	14 233		7 128	10 297			
B KZN216 Hibiscus Coast	53 958	55 812	58 504	18 257	49 899	27 029			
C DC21 Ugu District Municipality									
<b>Total: Ugu Municipalities</b>	<b>213 277</b>	<b>220 603</b>	<b>231 245</b>	<b>27 500</b>	<b>118 808</b>	<b>128 713</b>			
B KZN221 uMshwathi	22 226	22 981	24 089	28 611	80 080	50 235			
B KZN222 uMngeni	13 039	13 482	14 132						
B KZN223 Mpozana	7 176	7 420	7 778						
B KZN224 Impendle	9 593	9 919	10 397						
B KZN225 Msunduzi				11 389	58 333	26 721			
B KZN226 Mkhambathini	17 482	18 076	18 948						
B KZN227 Richmond	13 856	14 327	15 018						
C DC22 Umgungundlovu District Municipality									
<b>Total: Umgungundlovu Municipalities</b>	<b>83 372</b>	<b>86 205</b>	<b>90 362</b>	<b>40 000</b>	<b>138 413</b>	<b>76 956</b>			
B KZN232 Emnambithi/Ladysmith	36 597	38 088	39 925				10 802	15 000	28 358
B KZN233 Indaka	26 975	28 074	29 428				6 533	10 000	28 358
B KZN234 Umsheni	17 482	18 194	19 072					6 544	18 905
B KZN235 Okhahlamba	37 182	38 696	40 563				2 665	5 000	22 686
B KZN236 Imbabazane	32 170	33 480	35 095					13 456	
C DC23 Uthukela District Municipality									
<b>Total: Uthukela Municipalities</b>	<b>150 406</b>	<b>156 532</b>	<b>164 083</b>				<b>20 000</b>	<b>50 000</b>	<b>98 307</b>
B KZN241 Endumeni	6 349	6 591	6 909	1 817	1 620	4 324			
B KZN242 Ngutu	40 461	42 006	44 032	93	42 285	24 866			
B KZN244 Msinga	74 128	76 958	80 670	5 215	20 244	51 893			
B KZN245 Umvoti	36 147	37 527	39 337	12 650	14 101	27 028			
C DC24 Umzinyathi District Municipality									
<b>Total: Umzinyathi Municipalities</b>	<b>157 085</b>	<b>163 082</b>	<b>170 948</b>	<b>19 775</b>	<b>78 250</b>	<b>108 111</b>			
B KZN252 Newcastle				7 040	14 825	13 613			
B KZN253 Emadlangeni	9 183	9 018	9 453	5 747	8 046	6 631			
B KZN254 Dannhauser	22 973	22 561	23 649	6 293	11 779	8 502			
C DC25 Amaziya District Municipality									
<b>Total: Amajuba Municipalities</b>	<b>32 156</b>	<b>31 579</b>	<b>33 102</b>	<b>19 080</b>	<b>34 650</b>	<b>28 746</b>			
B KZN261 eDumbe	12 743	12 956	13 580			21 835			
B KZN262 UPhongolo	39 768	40 431	42 381			53 028			
B KZN263 Abaqulusi	38 593	39 236	41 129			49 908			
B KZN265 Nongoma	61 758	62 787	65 816	12 168	29 941				
B KZN266 Ulundi	39 462	40 119	42 054	27 037	49 065				
C DC26 Zululand District Municipality									
<b>Total: Zululand Municipalities</b>	<b>192 324</b>	<b>195 529</b>	<b>204 960</b>	<b>39 205</b>	<b>79 006</b>	<b>124 771</b>			
B KZN271 Umhlabyalingana	51 367	53 319	55 891				5 203	15 595	38 098
B KZN272 Jozini	61 655	63 997	67 085				5 329	18 284	44 666
B KZN273 The Big 5 False Bay	6 609	6 860	7 191				5 170	1 613	3 941
B KZN274 Hlabisa	16 638	17 270	18 103				5 177	6 453	15 765
B KZN275 Mtubatuba	45 619	47 352	49 637				6 141	11 830	28 901
C DC27 Umkhanyakude District Municipality									
<b>Total: Umkhanyakude Municipalities</b>	<b>181 888</b>	<b>188 798</b>	<b>197 907</b>				<b>27 020</b>	<b>53 775</b>	<b>131 371</b>
B KZN281 Mfolozi	25 626	26 554	27 835	717	328	12 750			
B KZN282 uMhlatuze				18 850	50 882	7 921			
B KZN283 Ntambana	19 230	19 926	20 887	11 149	69 191	20 035			
B KZN284 uMlalazi	62 518	64 782	67 907	22 986	30 217	33 696			
B KZN285 Mthonjaneni	12 709	13 169	13 804	717	1 318	7 286			
B KZN286 Nkandla	29 575	30 646	32 124	1 843	8 429	17 302			
C DC28 uThungulu District Municipality									
<b>Total: Uthungulu Municipalities</b>	<b>149 658</b>	<b>155 077</b>	<b>162 557</b>	<b>56 262</b>	<b>160 365</b>	<b>98 990</b>			
B KZN291 Mandeni	33 725	35 197	36 895	8 353	44 796	29 079			
B KZN292 KwaDukuza	49 003	51 142	53 609	1 822	9 772	10 950			
B KZN293 Ndwedwe	36 605	38 203	40 045	9 455	50 705	31 683			
B KZN294 Maphumulo	37 270	38 897	40 774	19 370	103 881	30 320			
C DC29 iLembe District Municipality									
<b>Total: iLembe Municipalities</b>	<b>156 603</b>	<b>163 439</b>	<b>171 323</b>	<b>39 000</b>	<b>209 154</b>	<b>102 032</b>			
B KZN431 Ingwe	36 878	38 623	40 486	5 239	659	25 097			
B KZN432 Kwa Sani	2 587	2 709	2 840	9 872	1 995	1 091			
B KZN433 Greater Kokstad	7 202	7 543	7 906	367	444	3 274			
B KZN434 Ubuhlebezwe	35 552	37 234	39 030	6 189	40 251	26 188			
B KZN435 Umzimkhulu	83 261	87 200	91 406	1 133	151	53 468			
C DC43 Harry Gwala District Municipality									
<b>Total: Sisonke Municipalities</b>	<b>165 480</b>	<b>173 309</b>	<b>181 668</b>	<b>22 800</b>	<b>43 500</b>	<b>109 118</b>			
<b>Total: KwaZulu-Natal Municipalities</b>	<b>1 482 249</b>	<b>1 534 153</b>	<b>1 608 155</b>	<b>263 622</b>	<b>862 146</b>	<b>777 437</b>	<b>47 020</b>	<b>103 775</b>	<b>229 678</b>

## 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		
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>LIMPOPO</b>									
B LIM331 Greater Giyani	96 763	101 939	106 856				10 425	24 295	25 000
B LIM332 Greater Letaba	75 679	79 727	83 573				10 445	24 306	25 500
B LIM333 Greater Tzaneen	151 816	159 937	167 652				14 662	37 770	39 600
B LIM334 Ba-Phalaborwa	24 497	25 807	27 052				3 382	4 227	7 866
B LIM335 Maruleng	32 240	33 965	35 603				4 147	11 934	10 000
C DC33 Mopani District Municipality									
<b>Total: Mopani Municipalities</b>	<b>380 995</b>	<b>401 375</b>	<b>420 736</b>				<b>43 061</b>	<b>102 532</b>	<b>107 966</b>
B LIM341 Musina	11 814	12 448	13 048				360	450	500
B LIM342 Mutale	26 501	27 923	29 270				19 921	22 921	25 700
B LIM343 Thulamela	222 912	234 874	246 204				22 952	86 120	90 000
B LIM344 Makhado	171 065	180 245	188 940				22 653	90 741	94 644
C DC34 Vhembe District Municipality									
<b>Total: Vhembe Municipalities</b>	<b>432 292</b>	<b>455 490</b>	<b>477 462</b>				<b>65 886</b>	<b>200 232</b>	<b>210 844</b>
B LIM351 Blouberg	64 162	67 257	70 501	6 508	8 135	15 000			
B LIM352 Aganang	39 726	41 642	43 651	5 813	7 266	15 000			
B LIM353 Molemole	39 596	41 506	43 509	1 140	1 425	9 438			
B LIM354 Polokwane									
B LIM355 Lepele-Nkumpi	79 271	83 095	87 103	13 918	34 872	15 000			
C DC35 Capricorn District Municipality									
<b>Total: Capricorn Municipalities</b>	<b>222 755</b>	<b>233 500</b>	<b>244 764</b>	<b>27 379</b>	<b>51 698</b>	<b>54 438</b>			
B LIM471 Ephraim Mogale	39 696	41 511	43 514				10 578	14 455	15 221
B LIM472 Elias Motoaledi	97 912	102 390	107 330				27 135	46 891	49 376
B LIM473 Makhuduthamaga	111 894	117 011	122 656				13 505	18 132	19 093
B LIM474 Fetakgomo	29 762	31 123	32 625				1 503	1 879	1 979
B LIM475 Greater Tubatse	127 804	133 649	140 096				28 803	69 145	72 810
C DC47 Sekhukhune District Municipality									
<b>Total: Sekhukhune Municipalities</b>	<b>407 068</b>	<b>425 684</b>	<b>446 221</b>				<b>81 524</b>	<b>150 502</b>	<b>158 479</b>
<b>Total: Limpopo Municipalities</b>	<b>1 443 110</b>	<b>1 516 049</b>	<b>1 589 183</b>	<b>27 379</b>	<b>51 698</b>	<b>54 438</b>	<b>190 471</b>	<b>453 266</b>	<b>477 289</b>
<b>NORTH WEST</b>									
B NW381 Ratlou	41 546	43 828	45 942				3 426	10 644	9 806
B NW382 Tswaing	30 966	32 666	34 242				1 899	5 900	5 883
B NW383 Mafikeng	90 046	94 991	99 573				1 832	7 575	20 265
B NW384 Ditsobotla	36 132	38 116	39 955				12 398	22 979	15 036
B NW385 Ramatshere Moiloa	46 915	49 491	51 878				11 512	14 984	14 382
C DC38 Ngaka Modiri Molema District Municipality									
<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>245 605</b>	<b>259 092</b>	<b>271 590</b>				<b>31 067</b>	<b>62 082</b>	<b>65 372</b>
B NW392 Naledi	8 513	8 934	9 365						
B NW393 Mamasua	7 407	7 774	8 149						
B NW394 Greater Taung	60 781	63 789	66 866				10 780	21 560	22 700
B NW396 Lekwa-Teemane	1 949	2 045	2 144						
B NW397 NW397	30 562	32 075	33 622				4 220	8 440	8 890
C DC39 Dr Ruth Segomotsi Mompati District Municipality									
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>	<b>109 212</b>	<b>114 617</b>	<b>120 146</b>				<b>15 000</b>	<b>30 000</b>	<b>31 590</b>
<b>Total: North West Municipalities</b>	<b>354 817</b>	<b>373 709</b>	<b>391 736</b>				<b>46 067</b>	<b>92 082</b>	<b>96 962</b>
<b>National Total</b>	<b>4 919 511</b>	<b>5 119 749</b>	<b>5 366 718</b>	<b>534 150</b>	<b>1 380 205</b>	<b>1 302 002</b>	<b>524 826</b>	<b>1 291 729</b>	<b>1 511 545</b>

**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**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>EASTERN CAPE</b>					
A	BUF Buffalo City	1 417	1 890		
A	NMA Nelson Mandela Bay	1 756	13 439		
B	EC101 Camdeboo	33	1 000		
B	EC102 Blue Crane Route	39	1 000		
B	EC103 Ikwezi	23	1 000		
B	EC104 Makana	54	1 007		
B	EC105 Ndlambe	59	1 000		
B	EC106 Sundays River Valley	56	1 000		
B	EC107 Baviaans	29	1 390		
B	EC108 Kouga	69	1 285		
B	EC109 Kou-Kamma	37	1 000		
C	DC10 Cacadu District Municipality	8	1 236		
<b>Total: Cacadu Municipalities</b>		<b>407</b>	<b>10 918</b>		
B	EC121 Mbhashe	117	1 153		
B	EC122 Mquma	131	1 522		
B	EC123 Great Kei	33	1 000		
B	EC124 Amahlathi	71	1 245		
B	EC126 Ngqushwa	53	1 000		
B	EC127 <b>Nkonkobe</b>	72	1 070		
B	EC128 Nxuba	26	1 000		
C	DC12 Amathole District Municipality	876	3 045		
<b>Total: Amathole Municipalities</b>		<b>1 379</b>	<b>11 035</b>		
B	EC131 Inxuba Yethemba	41	1 487		
B	EC132 Tsolwana	33	1 177		
B	EC133 Inkwanca	27	1 281		
B	EC134 Lukanji	87	1 714		
B	EC135 Intsika Yethu	90	1 849		
B	EC136 Emalahleni	70	1 217		
B	EC137 Engcobo	83	1 687		
B	EC138 Sakhisizwe	42	1 000		
C	DC13 Chris Hani District Municipality	620	9 124		
<b>Total: Chris Hani Municipalities</b>		<b>1 093</b>	<b>20 536</b>		
B	EC141 Elundini	84	1 590		
B	EC142 Senqu	85	1 976		
B	EC143 Maletswai	32	1 201		
B	EC144 Gariep	29	1 000		
C	DC14 Joe Gqabi District Municipality	314	1 309		
<b>Total: Joe Gqabi Municipalities</b>		<b>544</b>	<b>7 076</b>		
B	EC153 Ngquza Hill	109	1 000		
B	EC154 Port St Johns	71	1 119		
B	EC155 Nyandeni	121	1 172		
B	EC156 Mhlontlo	90	1 221		
B	EC157 King Sabata Dalindyebo	171	1 529		
C	DC15 O.R.Tambo District Municipality	1 303	12 994		
<b>Total: O.R.Tambo Municipalities</b>		<b>1 865</b>	<b>19 035</b>		
B	EC441 Matatiele	122	4 485		
B	EC442 Umzimvubu	98	1 593		
B	EC443 Mbizana	97	1 000		
B	EC444 Ntabankulu	60	1 298		
C	DC44 Alfred Nzo District Municipality	775	8 323		
<b>Total: Alfred Nzo Municipalities</b>		<b>1 152</b>	<b>16 699</b>		
<b>Total: Eastern Cape Municipalities</b>		<b>9 613</b>	<b>100 628</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>FREE STATE</b>					
A	MAN Mangaung	1 382	2 431		
B	FS161 Letsemeng	42	1 010		
B	FS162 Kopanong	48	1 225		
B	FS163 Mohokare	42	1 033		
B	FS164 Naledi	34	1 000		
C	DC16 Xhariep District Municipality	8	<b>1 080</b>		
<b>Total: Xhariep Municipalities</b>		<b>174</b>	<b>5 348</b>		
B	FS181 Masilonyana	65	1 023		
B	FS182 Tokologo	41	1 083		
B	FS183 Tswelopele	56	1 223		
B	FS184 Matjhabeng	322	1 139		
B	FS185 Nala	94	1 034		
C	DC18 Lejweleputswa District Municipality				
<b>Total: Lejweleputswa Municipalities</b>		<b>578</b>	<b>5 502</b>		
B	FS191 Setsoto	138	2 632		
B	FS192 Dihlabeng	88	1 067		
B	FS193 Nketoana	60	1 104		
B	FS194 Maluti-a-Phofung	367	4 866		
B	FS195 Phumelela	49	1 000		
B	FS196 Mantsopa	50	1 001		
C	DC19 Thabo Mofutsanyana District Municipality	9	1 282		
<b>Total: Thabo Mofutsanyana Municipalities</b>		<b>761</b>	<b>12 952</b>		
B	FS201 Moqhaka	85	1 195		
B	FS203 Ngwathe	87	1 000		
B	FS204 Metsimaholo	92	1 109		
B	FS205 Mafube	50	1 000		
C	DC20 Fezile Dabi District Municipality	7	1 055		
<b>Total: Fezile Dabi Municipalities</b>		<b>321</b>	<b>5 359</b>		
<b>Total: Free State Municipalities</b>		<b>3 216</b>	<b>31 592</b>		
<b>GAUTENG</b>					
A	EKU Ekurhuleni	3 670	6 422		
A	JHB City of Johannesburg	3 651	36 492		
A	TSH City of Tshwane	3 160	30 760		
B	GT421 Emfuleni	345	4 191		
B	GT422 Midvaal	68	1 135		
B	GT423 Lesedi	59	1 269		
C	DC42 Sedibeng District Municipality	7	1 000		
<b>Total: Sedibeng Municipalities</b>		<b>479</b>	<b>7 595</b>		
B	GT481 Mogale City	207	2 052		
B	GT482 Randfontein	79	1 003		
B	GT483 Westonaria	118	2 231		
B	GT484 Merafong City	129	1 954		
C	DC48 West Rand District Municipality	9	1 290		
<b>Total: West Rand Municipalities</b>		<b>542</b>	<b>8 530</b>		
<b>Total: Gauteng Municipalities</b>		<b>11 502</b>	<b>89 799</b>		



**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>KWAZULU-NATAL</b>					
A	ETH eThekweni	3 847	34 154		
B	KZN211 Vulamehlo	43	1 000		
B	KZN212 Umdoni	47	1 261		
B	KZN213 Umzumbe	74	1 020		
B	KZN214 uMuziwabantu	51	1 000		
B	KZN215 Ezingoleni	35	1 053		
B	KZN216 Hibiscus Coast	103	1 084		
C	DC21 Ugu District Municipality	502	1 368		
<b>Total: Ugu Municipalities</b>		<b>855</b>	<b>7 786</b>		
B	KZN221 uMshwathi	59	1 000		
B	KZN222 uMngeni	50	1 000		
B	KZN223 Mpofana	31	1 000		
B	KZN224 Impendle	33	1 294		
B	KZN225 Msunduzi	347	2 782		
B	KZN226 Mkhambathini	41	1 132		
B	KZN227 Richmond	43	1 255		
C	DC22 Umgungundlovu District Municipality	200	3 321		
<b>Total: Umgungundlovu Municipalities</b>		<b>804</b>	<b>12 784</b>		
B	KZN232 Emnambithi/Ladysmith	109	4 032		
B	KZN233 Indaka	50	1 000		
B	KZN234 Umtshezi	42	1 000		
B	KZN235 Okhahlamba	61	1 159		
B	KZN236 Imbabazane	53	1 000		
C	DC23 Uthukela District Municipality	379	3 299		
<b>Total: Uthukela Municipalities</b>		<b>694</b>	<b>11 490</b>		
B	KZN241 Endumeni	36	1 000		
B	KZN242 Nqutu	67	1 254		
B	KZN244 Msinga	86	1 899		
B	KZN245 Umvoti	65	2 132		
C	DC24 Umzinyathi District Municipality	372	1 790		
<b>Total: Umzinyathi Municipalities</b>		<b>626</b>	<b>8 075</b>		
B	KZN252 Newcastle	232	2 411		
B	KZN253 Emadlangeni	25	1 000		
B	KZN254 Dannhauser	48	1 000		
C	DC25 Amajuba District Municipality	93	1 276		
<b>Total: Amajuba Municipalities</b>		<b>398</b>	<b>5 687</b>		

**APPENDIX W3  
TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR  
MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
B	KZN261 eDumbe	41	1 081		
B	KZN262 uPhongolo	66	1 837		
B	KZN263 Abaqulusi	78	1 376		
B	KZN265 Nongoma	67	1 041		
B	KZN266 Ulundi	65	1 031		
C	DC26 Zululand District Municipality	462	2 486		
<b>Total: Zululand Municipalities</b>		<b>779</b>	<b>8 852</b>		
B	KZN271 Umhlabuyalingana	74	1 355		
B	KZN272 Jozini	83	2 011		
B	KZN273 The Big 5 False Bay	29	1 000		
B	KZN274 Hlabisa	35	1 000		
B	KZN275 Mtubatuba	66	1 059		
C	DC27 Umkhanyakude District Municipality	422	1 126		
<b>Total: Umkhanyakude Municipalities</b>		<b>709</b>	<b>7 551</b>		
B	KZN281 Mfolozi	57	1 455		
B	KZN282 uMhlathuze	196	1 896		
B	KZN283 Ntambanana	41	1 771		
B	KZN284 uMlalazi	90	2 172		
B	KZN285 Mthonjaneni	41	2 375		
B	KZN286 Nkandla	54	1 648		
C	DC28 uThungulu District Municipality	382	5 337		
<b>Total: Uthungulu Municipalities</b>		<b>861</b>	<b>16 654</b>		
B	KZN291 Mandeni	77	1 646		
B	KZN292 KwaDukuza	104	1 248		
B	KZN293 Ndwedwe	63	1 000		
B	KZN294 Maphumulo	49	1 000		
C	DC29 iLembe District Municipality	387	2 218		
<b>Total: iLembe Municipalities</b>		<b>680</b>	<b>7 112</b>		
B	KZN431 Ingwe	54	1 000		
B	KZN432 Kwa Sani	22	1 081		
B	KZN433 Greater Kokstad	45	1 754		
B	KZN434 Ubuhlebezwe	54	1 090		
B	KZN435 Umzimkhulu	96	1 913		
C	DC43 Harry Gwala District Municipality	394	2 729		
<b>Total: Sisonke Municipalities</b>		<b>665</b>	<b>9 567</b>		
<b>Total: KwaZulu-Natal Municipalities</b>		<b>10 918</b>	<b>129 712</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>LIMPOPO</b>					
B	LIM331 Greater Giyani	123	1 480		
B	LIM332 Greater Letaba	119	1 731		
B	LIM333 Greater Tzaneen	189	2 060		
B	LIM334 Ba-Phalaborwa	68	1 212		
B	LIM335 Maruleng	60	1 316		
C	DC33 Mopani District Municipality	879	2 195		
<b>Total: Mopani Municipalities</b>		<b>1 438</b>	<b>9 994</b>		
B	LIM341 Musina	45	1 067		
B	LIM342 Mutale	57	1 357		
B	LIM343 Thulamela	266	1 737		
B	LIM344 Makhado	223	1 128		
C	DC34 Vhembe District Municipality	1 004	3 696		
<b>Total: Vhembe Municipalities</b>		<b>1 595</b>	<b>8 985</b>		
B	LIM351 Blouberg	88	1 651		
B	LIM352 Aganang	75	1 536		
B	LIM353 Molemole	68	1 454		
B	LIM354 Polokwane	563	3 960		
B	LIM355 Lepele-Nkumpi	111	1 712		
C	DC35 Capricorn District Municipality	520	1 964		
<b>Total: Capricorn Municipalities</b>		<b>1 425</b>	<b>12 277</b>		
B	LIM361 Thabazimbi	76	1 486		
B	LIM362 Lephale	79	1 035		
B	LIM364 Mookgopong	40	1 134		
B	LIM365 Modimolle	75	1 502		
B	LIM366 Bela-Bela	53	1 123		
B	LIM367 Mogalakwena	293	2 015		
C	DC36 Waterberg District Municipality	7	1 000		
<b>Total: Waterberg Municipalities</b>		<b>623</b>	<b>9 295</b>		
B	LIM471 Ephraim Mogale	71	1 279		
B	LIM472 Elias Motsoaledi	110	1 187		
B	LIM473 Makhuduthamaga	123	1 032		
B	LIM474 Fetakgomo	50	1 052		
B	LIM475 Greater Tubatse	133	1 364		
C	DC47 Sekhukhune District Municipality	930	3 466		
<b>Total: Sekhukhune Municipalities</b>		<b>1 417</b>	<b>9 380</b>		
<b>Total: Limpopo Municipalities</b>		<b>6 498</b>	<b>49 931</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>MPUMALANGA</b>					
B	MP301 Albert Luthuli	192	4 105		
B	MP302 Msukaligwa	107	1 144		
B	MP303 Mkhondo	165	2 905		
B	MP304 Pixley Ka Seme	75	3 554		
B	MP305 Lekwa	76	1 190		
B	MP306 Dipaleseng	46	1 435		
B	MP307 Govan Mbeki	158	2 071		
C	DC30 Gert Sibande District Municipality	11	1 587		
<b>Total: Gert Sibande Municipalities</b>		<b>830</b>	<b>17 991</b>		
B	MP311 Victor Khanye	59	1 823		
B	MP312 Emalahleni	240	2 446		
B	MP313 Steve Tshwete	104	1 705		
B	MP314 Emakhazeni	43	1 235		
B	MP315 Thembisile Hani	257	3 757		
B	MP316 Dr JS Moroka	258	3 406		
C	DC31 Nkangala District Municipality	14	2 121		
<b>Total: Nkangala Municipalities</b>		<b>975</b>	<b>16 493</b>		
B	MP321 Thaba Chweu	102	1 657		
B	MP322 Mbombela	615	6 040		
B	MP323 Umjindi	72	1 795		
B	MP324 Nkomazi	460	5 451		
B	MP325 Bushbuckridge	725	2 192		
C	DC32 Ehlanzeni District Municipality	19	2 887		
<b>Total: Ehlanzeni Municipalities</b>		<b>1 993</b>	<b>20 022</b>		
<b>Total: Mpumalanga Municipalities</b>		<b>3 798</b>	<b>54 506</b>		

**APPENDIX W3  
TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR  
MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>NORTHERN CAPE</b>					
B	NC061 Richtersveld	21	1 000		
B	NC062 Nama Khoi	35	1 000		
B	NC064 Kamiesberg	25	1 000		
B	NC065 Hantam	29	1 308		
B	NC066 Karoo Hoogland	25	1 000		
B	NC067 Khâi-Ma	24	1 000		
C	DC6 Namakwa District Municipality	7	1 000		
<b>Total: Namakwa Municipalities</b>		<b>166</b>	<b>7 308</b>		
B	NC071 Ubuntu	26	1 000		
B	NC072 Umsobomvu	29	1 000		
B	NC073 Emthanjeni	32	1 000		
B	NC074 Kareeberg	23	1 000		
B	NC075 Renosterberg	23	1 000		
B	NC076 Thembelihle	28	1 000		
B	NC077 Siyathemba	27	1 000		
B	NC078 Siyancuma	39	1 000		
C	DC7 Pixley Ka Seme District Municipality	7	1 000		
<b>Total: Pixley Ka Seme Municipalities</b>		<b>234</b>	<b>9 000</b>		
B	NC081 Mier	25	1 000		
B	NC082 !Kai !Garib	52	1 374		
B	NC083 //Khara Hais	51	1 015		
B	NC084 !Kheis	29	1 000		
B	NC085 Tsantsabane	37	1 000		
B	NC086 Kgatelopele	23	1 000		
C	DC8 Z.F. Mgcawu District Municipality	7	1 000		
<b>Total: Siyanda Municipalities</b>		<b>224</b>	<b>7 389</b>		
B	NC091 Sol Plaatjie	131	5 330		
B	NC092 Dikgatlong	48	1 192		
B	NC093 Magareng	31	1 348		
B	NC094 Phokwane	58	1 215		
C	DC9 Frances Baard District Municipality	7	1 006		
<b>Total: Frances Baard Municipalities</b>		<b>275</b>	<b>10 091</b>		
B	NC451 Joe Morolong	128	1 969		
B	NC452 Ga-Segonyana	110	1 000		
B	NC453 Gamagara	30	1 000		
C	DC45 John Taolo Gaetsewe District Municipality	7	1 000		
<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>275</b>	<b>4 969</b>		
<b>Total: Northern Cape Municipalities</b>		<b>1 174</b>	<b>38 757</b>		

**APPENDIX W3**  
**TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>NORTH WEST</b>					
B	NW371 Moretele	217	2 546		
B	NW372 Madibeng	507	2 288		
B	NW373 Rustenburg	426	4 611		
B	NW374 Kgetlengrivier	61	2 207		
B	NW375 Moses Kotane	275	1 845		
C	DC37 Bojanala Platinum District Municipality	8	1 191		
<b>Total: Bojanala Platinum Municipalities</b>		<b>1 494</b>	<b>14 688</b>		
B	NW381 Ratlou	67	1 757		
B	NW382 Tswaing	62	1 092		
B	NW383 Mafikeng	129	2 291		
B	NW384 Ditsobotla	77	1 181		
B	NW385 Ramotshere Moiloa	80	1 464		
C	DC38 Ngaka Modiri Molema District Municipality	592	3 142		
<b>Total: Ngaka Modiri Molema Municipalities</b>		<b>1 007</b>	<b>10 927</b>		
B	NW392 Naledi	44	1 846		
B	NW393 Mamusa	39	1 386		
B	NW394 Greater Taung	97	1 205		
B	NW396 Lekwa-Teemane	36	1 236		
B	NW397 NW397	64	1 000		
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	281	2 141		
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>		<b>561</b>	<b>8 814</b>		
B	NW401 Ventersdorp	53	1 388		
B	NW402 Tlokwe	98	1 000		
B	NW403 City of Matlosana	205	1 913		
B	NW404 Maquassi Hills	62	1 189		
C	DC40 Dr Kenneth Kaunda District Municipality	7	1 000		
<b>Total: Dr Kenneth Kaunda Municipalities</b>		<b>425</b>	<b>6 490</b>		
<b>Total: North West Municipalities</b>		<b>3 487</b>	<b>40 919</b>		

**APPENDIX W3  
TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR  
MUNICIPALITIES**

Category	Municipality	Expanded Public Works Programme Integrated Grant for Municipalities			
		2014/15 FTE Performance Target	National and Municipal Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>WESTERN CAPE</b>					
A	CPT City of Cape Town	2 873	21 204		
B	WC011 Matzikama	48	1 201		
B	WC012 Cederberg	39	1 328		
B	WC013 Bergrivier	36	1 147		
B	WC014 Saldanha Bay	44	1 086		
B	WC015 Swartland	48	1 213		
C	DC1 West Coast District Municipality	7	1 000		
<b>Total: West Coast Municipalities</b>		<b>222</b>	<b>6 975</b>		
B	WC022 Witzenberg	50	1 000		
B	WC023 Drakenstein	74	1 000		
B	WC024 Stellenbosch	77	1 544		
B	WC025 Breede Valley	72	1 006		
B	WC026 Langeberg	52	1 440		
C	DC2 Cape Winelands District Municipality	7	1 000		
<b>Total: Cape Winelands Municipalities</b>		<b>332</b>	<b>6 990</b>		
B	WC031 Theewaterskloof	57	1 106		
B	WC032 Overstrand	54	1 768		
B	WC033 Cape Agulhas	29	1 120		
B	WC034 Swellendam	32	1 305		
C	DC3 Overberg District Municipality	7	1 056		
<b>Total: Overberg Municipalities</b>		<b>179</b>	<b>6 355</b>		
B	WC041 Kannaland	27	1 000		
B	WC042 Hessequa	35	1 335		
B	WC043 Mossel Bay	57	1 844		
B	WC044 George	96	2 933		
B	WC045 Oudtshoorn	52	1 665		
B	WC047 Bitou	47	1 371		
B	WC048 Knysna	55	1 000		
C	DC4 Eden District Municipality	7	1 000		
<b>Total: Eden Municipalities</b>		<b>376</b>	<b>12 148</b>		
B	WC051 Laingsburg	20	1 013		
B	WC052 Prince Albert	22	1 000		
B	WC053 Beaufort West	46	1 834		
C	DC5 Central Karoo District Municipality	8	1 212		
<b>Total: Central Karoo Municipalities</b>		<b>96</b>	<b>5 059</b>		
<b>Total: Western Cape Municipalities</b>		<b>4 078</b>	<b>58 731</b>		
<b>Unallocated:</b>				618 966	705 997
<b>National Total</b>		<b>54 284</b>	<b>594 575</b>		

**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: 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		
					2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>EASTERN CAPE</b>							
ECR040	Nalson Dam/ East Coast	A, B,UF	Buffalo City	Buffalo City			50 000
			<b>Total: Buffalo City Metropolitan Municipality</b>				50 000
ECR038	Graaf-Reinet Emergency Water Supply Scheme	B DC10	Cacadu District Municipality	Camelboo Local Municipality	14 400		
ECR047	James Kleyhans Bulk Water Supply (BWS)	B DC10	Makana Local Municipality	Makana Local Municipality	10 000	20 000	36 000
ECR037	Ndlambe Dam/ Albany Coast BWS (Grahamstown& Port Alfred Augmentation)	B DC10	Cacadu District Municipality	Ndlame Local Municipality	113 464	80 000	220 000
ECR043	Kirkwood Water Treatment Works	B EC106	Cacadu District Municipality	Sundays River Valley Local Municipality	20 000	23 808	10 000
ECR039	Skeylerville Water Supply Scheme	B DC10	Cacadu District Municipality	Baviaans Local Municipality	157 864	123 808	266 000
ECR010	Mtwana Bulk Water Supply	C DC12	Amathole District Municipality	Mbashe Local Municipality	34 400	35 000	71 746
ECR006	Biba Water Supply	C DC12	Amathole District Municipality	Mquma Local Municipality	25 000	25 000	81 646
			<b>Total: Amathole Municipalities</b>		59 400	60 000	153 386
ECR033	Cluster 4 CHDM Bulk Water Supply	C DC13	Chris Hani District Municipality (CHDM)	Engobo Local Municipality	54 300	50 000	58 000
ECR028	Cluster 6 CHDM Bulk Water Supply	C DC13	Chris Hani District Municipality	Engobo Local Municipality	35 000	10 268	53 000
ECR029	Cluster 9 CHDM Bulk Water Supply	C DC13	Chris Hani District Municipality	Iriska yethu Local Municipality	65 600	88 000	90 000
ECR002	Xosha Bulk Water Supply	C DC13	Chris Hani District Municipality	Engobo Local Municipality	58 672	98 235	
ECR005	Hoffmeyer Ground Water Supply	C DC13	Chris Hani District Municipality	Tsoyana Local Municipality	4 666		
			<b>Total: Chris Hani Municipalities</b>		218 238	243 503	201 000
ECR046	Sterkspruit Waste Water Treatment Works	C DC14	Jos Gqabi District Municipality	Senqu Local Municipality	10 000	15 000	24 000
			<b>Total: Jos Gqabi Municipalities</b>		10 000	15 000	24 000
ECR019	O.R. Tambo, Mthatha, King Sabata Dalibheho Water Supply	C DC15	O.R. Tambo District Municipality	King Sabata Dalibheho Local Municipality	180 000	200 000	300 000
ECR045	O.R. Tambo, Mthatha, King Sabata Dalibheho Sanitation	C DC15	O.R. Tambo District Municipality	King Sabata Dalibheho Local Municipality	100 000	115 000	
			<b>Total: O.R. Tambo Municipalities</b>		280 000	315 000	300 000
ECR001	Matatiele Bulk Water Supply Scheme	C DC44	Alfred Nzo District Municipality	Matatiele Local Municipality	25 000		36 000
ECR036	Mount Aviliff Bulk Water Supply Scheme	C DC44	Alfred Nzo District Municipality	Mzimvubu Local Municipality	25 000	60 000	60 000
ECR008	Mbizana Regional Bulk Water Supply	C DC44	Alfred Nzo District Municipality	Mbizana Local Municipality	60 000	49 689	25 000
			<b>Total: Alfred Nzo Municipalities</b>		110 000	49 689	121 000
			<b>Total: Eastern Cape Municipalities</b>		835 502	807 000	1 115 386
<b>FREE STATE</b>							
FSR002	Jagersfontein /Faresmith Bulk Water Supply	B FS162	Kopung Local Municipality	Kopung Local Municipality	10 000	15 000	20 000
FSR005	Renxville /Smithfield /Zastron BWS	B FS163	Mohale Local Municipality	Mohale Local Municipality	40 000	63 000	
			<b>Total: Xhariep Municipalities</b>		50 000	78 000	20 000
FSR011	Masiloana BWS	B FS181	Masiloana Local Municipality	Masiloana Local Municipality	46 000	60 000	77 000
FSR008	Tokologo Regional Water Supply	B FS182	Tokologo Local Municipality	Tokologo, Sout Paaige, LMs	10 000	33 000	25 000
			<b>Total: Lepellekwa Municipalities</b>		18 000	12 000	
FSR013	Setsoho Bulk Water Supply	B FS191	Setsoho Local Municipality	Setsoho Local Municipality	20 000	20 000	30 000
FSR003	Ditlabeng Bulk Water Supply	B FS192	Ditlabeng Local Municipality	Ditlabeng Local Municipality	25 000	21 054	35 000
FSR012	Nkomo Regional Water Supply	B FS193	Nkomo Local Municipality	Nkomo Local Municipality	20 000	30 000	45 000
FSR007	Sterkfontein Dam Bulk Water Supply	B FS194	Matatiele Local Municipality	Matatiele Local Municipality	30 896	32 000	55 000
FSR006	Phumela Bulk Water Supply	B FS195	Phumela Local Municipality	Phumela Local Municipality	30 000	20 000	20 000
FSR015	Mantsopa-1 weespruit, Excelsior, Hobhouse Bulk Water Supply	B FS196	Mantsopa Local Municipality	Mantsopa Local Municipality	7 000	10 000	10 000
			<b>Total: Thaba Metsiyana Municipalities</b>		132 896	133 654	175 000
FSR010	Moshaka BWS	B FS201	Moshaka Local Municipality	Moshaka Local Municipality	15 000	20 000	30 000
FSR009	Nyevane Bulk Water Supply Phase 2	B FS205	Nyevane Local Municipality	Nyevane Local Municipality	30 000	30 000	40 000
			<b>Total: Ficks Dals Municipalities</b>		49 249	65 000	100 000
			<b>Total: Free State Municipalities</b>		306 145	381 654	392 000

**APPENDIX W4**  
**APPENDIX TO SCHEDULE 6: REGIONAL BULK INFRASTRUCTURE GRANT**  
**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>GAUTENG</b>							
GPR004	Western Highveld Bulk Water Scheme	A - TSH	City of Tshwane	City of Tshwane Metropolitan Municipality	50 000	60 000	95 000
			<b>Total: City of Tshwane Metropolitan Municipality</b>		<b>50 000</b>	<b>60 000</b>	<b>95 000</b>
GPR001	Sediberg Waste Water Treatment Works	B DC42	Sediberg District Municipality	Various	40 000	15 000	80 000
GPR005	Sobokeng Waste Water Treatment Works	B GT421	Emfuleni Local Municipality	Emfuleni Local Municipality	110 000	172 000	250 000
GPR006	Meyerton Waste Water Treatment Works	B GT422	Midvaal Local Municipality	Midvaal Local Municipality	90 000	108 000	108 000
			<b>Total: Sediberg Municipalities</b>		<b>240 000</b>	<b>295 000</b>	<b>330 000</b>
GPR002	Westonaria Regional Bulk Sanitation (Zumbekom)	B GT483	Westonaria Local Municipality	Westonaria Local Municipality	47 700		15 000
			<b>Total: West Rand Municipalities</b>		<b>47 700</b>		<b>15 000</b>
			<b>Total: Gauteng Municipalities</b>		<b>337 700</b>	<b>355 000</b>	<b>440 000</b>
<b>KWAZULU-NATAL</b>							
KNR013	Mhlabaane Bulk Water Supply	C DC21	Uthmaniyana District Municipality	Uthmaniyana District Municipality	35 000	18 834	35 000
			<b>Total: Uthmaniyana District Municipality</b>		<b>35 000</b>	<b>18 834</b>	<b>35 000</b>
KNR010	Driefontein Complex Bulk Water Supply	C DC23	Uthmaniyana District Municipality	Emmanhelen / Ludy Smith Local Municipality	25 000	30 000	5 000
			<b>Total: Uthmaniyana District Municipality</b>		<b>25 000</b>	<b>30 000</b>	<b>5 000</b>
KNR008	Greytown Regional Bulk Scheme	C DC24	Uthmaniyana District Municipality	Umvoti Local Municipality	135 000	243 000	
			<b>Total: Uthmaniyana District Municipality</b>		<b>135 000</b>	<b>243 000</b>	
KNR001	Nongoma BWS	C DC26	Zululand District Municipality	Nongoma Local Municipality	39 000	88 000	145 000
KNR002	Mantlankazi Bulk Water Supply	C DC26	Zululand District Municipality	uPhongolo & Nongoma Local Municipalities	35 000	35 000	
			<b>Total: Zululand District Municipality</b>		<b>74 000</b>	<b>123 000</b>	<b>145 000</b>
KNR015	Pongolapoort Bulk Water Scheme	C DC27	Umkhanyakade District Municipality	Jozini Local Municipality	330 000	90 000	45 000
KNR003	Hiabisa Bulk Water Supply	C DC27	Umkhanyakade District Municipality	Hiabisa Local Municipality	45 000		
KNR014	Dikididulu Resettlement	C DC27	Umkhanyakade District Municipality	Muhlabatha / Bhe 3 False Bay Local Municipalities	17 000	15 000	
			<b>Total: Umkhanyakade District Municipality</b>		<b>392 000</b>	<b>105 000</b>	<b>45 000</b>
KNR005	Greater Mthonjaneni Bulk Water Supply	C DC28	uThungulu District Municipality	Mthonjaneni / Nanda Local Municipalities	150 000	330 000	58 000
KNR016	Middelfart (Nanda) Regional Bulk Water Supply	C DC28	uThungulu District Municipality	Nanda Local Municipality	30 000	30 000	9 000
			<b>Total: uThungulu District Municipality</b>		<b>180 000</b>	<b>360 000</b>	<b>67 000</b>
KNR017	Ngebo Regional Water Bulk (Lower Tugela)	C DC29	uLembeke District Municipality	Ndwebwe / Kwa-Dobuza / Maphumulo / Mankeni LMs	90 000	81 166	160 000
			<b>Total: uLembeke District Municipality</b>		<b>90 000</b>	<b>81 166</b>	<b>160 000</b>
KNR007	Greater Bulwer Dombosook Water Scheme	C DC43	Harry Gwala District Municipality	Inyanga Local Municipality	28 200	30 000	100 000
			<b>Total: Sisonke District Municipality</b>		<b>28 200</b>	<b>30 000</b>	<b>100 000</b>
			<b>Total: KwaZulu-Natal Municipalities</b>		<b>959 200</b>	<b>991 000</b>	<b>628 000</b>

**APPENDIX W4  
APPENDIX TO SCHEDULE 6: REGIONAL BULK INFRASTRUCTURE GRANT  
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

Project Code	Project Name	Category	Water-Service Authority	Benefiting Municipality	National Financial Year		
					2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT</b>							
<b>LIMPOPO</b>							
LPR006	Nwanitwa Regional Water Supply Scheme	C DC33	Maput District Municipality	Greater Leuba Local Municipality	250		
LPR018	Great Bulk Water Supply Drought relief	C DC33	Maput District Municipality	Greater Gyaani Local Municipality	90 000		
LPR017	Mimela Sekonero	C DC33	Maput District Municipality	Waneng Local Municipality	4 141	140 167	
		<b>Total: Maput Municipalities</b>			<b>135 165</b>	<b>140 167</b>	
LPR020	Munsh Hub Bulk Water Supply	C DC34	Vhembe District Municipality	Musina Local Municipality	1 500		20 217
LPR002	Nekele Valley Bulk Water Supply	C DC34	Vhembe District Municipality	Makhodo Local Municipality	750		150 000
LPR016	Sinthumale Kutama Bulk Water Supply	C DC34	Vhembe District Municipality	Makhodo Local Municipality	25 000	30 000	
		<b>Total: Vhembe Municipalities</b>			<b>27 250</b>	<b>30 000</b>	<b>170 217</b>
LPR022	Aganang Bulk Water Supply	B DC35	Capricorn District Municipality	Aganang Local Municipality	650		30 000
LPR001	Matroos Regional Water Supply	B DC35	Capricorn District Municipality	Mademole Local Municipality	1 200		
LPR023	Potkwaane Waste Water Treatment Works	B LIM354	Potkwaane Local Municipality	Potkwaane Local Municipality	500		
LPR024	Capricorn Master Plan	B DC35	Capricorn District Municipality	Various	500		
		<b>Total: Capricorn Municipalities</b>			<b>2 350</b>		<b>30 000</b>
LPR003	Lephalale - Bulk Water Augmentation	B LIM362	Lephalale Local Municipality	Lephalale Local Municipality	350		70 400
LPR004	Magalalane Water Treatment Works	B LIM362	Dipaleseng Local Municipality	Magalalane Local Municipality	250		
LPR008	Medunsa Regional Water Supply	B LIM365	Medunsa Local Municipality	Medunsa Local Municipality	500		
LPR015	Magalalane Regional Water Supply	B LIM367	Magalalane Local Municipality	Magalalane Local Municipality	84 000	141 500	160 000
		<b>Total: Waterberg Municipalities</b>			<b>85 250</b>	<b>141 500</b>	<b>230 400</b>
LPR019	Moose Bulk Water Supply	C DC47	Schukhune District Municipality	Ephraim Magale/ Elias Mosekale LMs	48 500	64 500	4 600
LPR011	Nebo Bulk Water Supply	C DC47	Schukhune District Municipality	Greater Tubaise/ Makhudumabaga LMs	40 000	80 000	120 000
LPR012	Moolbosk/Tubaise Bulk Water Supply	C DC47	Schukhune District Municipality	Greater Tubaise Local Municipality	43 000	80 000	110 000
LPR021	Lebalele Central & North Regional	C DC47	Schukhune District Municipality	Greater Tubaise Local Municipality	500		
LPR012	Schukhune DM Regional Bulk Water Supply (De Hoop)	C DC47	Schukhune District Municipality	Various	364 984	305 500	280 000
LPR021	Schukhune Master Plan	C DC47	Schukhune District Municipality	Various	500		
		<b>Total: Schukhune Municipalities</b>			<b>497 484</b>	<b>530 000</b>	<b>514 600</b>
		<b>Total: Limpopo Municipalities</b>			<b>747 499</b>	<b>841 667</b>	<b>945 217</b>
<b>MPUMALANGA</b>							
MPR021	Eerstebek/Elslandeni Bulk Water Supply	C DC30	Ger. Sibande District Municipality	Albert Luthuli Local Municipality	24 000	28 000	20 000
MPR022	Emap/Mediv/Amor Bulk Water Supply	C DC30	Ger. Sibande District Municipality	Albert Luthuli Local Municipality			10 000
MPR026	Lushuwane Bulk water scheme	C DC30	Ger. Sibande District Municipality	Albert Luthuli Local Municipality	24 497	25 000	25 801
MPR027	Amsterdam and Shepmane Bulk Water Scheme	C DC30	Ger. Sibande District Municipality	Albert Luthuli Local Municipality	15 503	15 000	
MPR023	Msakaligwa Regional Water Supply Scheme	C DC30	Ger. Sibande District Municipality	Msakaligwa Local Municipality	23 000	38 000	40 000
MPR030	Ernsdo Bulk Water Supply	C DC30	Ger. Sibande District Municipality	Msakaligwa Local Municipality	20 000	22 000	49 000
MPR024	Balf/Siyati/Grey/Willem/Nhor Bulk Water Supply	C DC30	Ger. Sibande District Municipality	Dipaleseng Local Municipality	107 000	128 000	144 801
		<b>Total: Ger. Sibande Municipalities</b>			<b>107 000</b>	<b>128 000</b>	<b>144 801</b>
MPR017	Emalaheni Water Scheme	B MP312	Emalaheni Local Municipality	Emalaheni Local Municipality	22 000	24 000	30 000
MPR005	Western Highveld Scheme	B MP316	Dr JS Momba Local Municipality	Dr JS Momba Local Municipality	20 000	28 000	31 447
		<b>Total: Nkangala Municipalities</b>			<b>42 000</b>	<b>52 000</b>	<b>61 447</b>
MPR019	Northern Nkazi Bulk Water Supply	C DC32	Ehlanzeni District Municipality	Mbonhele Local Municipality	25 000	34 000	35 000
MPR020	Redeoppan Upgrading	C DC32	Ehlanzeni District Municipality	Nkomazizi Local Municipality	20 000	20 000	44 199
MPR020	Shabane Regional Water Supply	C DC32	Ehlanzeni District Municipality	Bushbuckridge Local Municipality	20 000	20 000	
		<b>Total: Ehlanzeni Municipalities</b>			<b>76 000</b>	<b>54 000</b>	<b>79 199</b>
		<b>Total: Mpumalanga Municipalities</b>			<b>225 000</b>	<b>234 000</b>	<b>285 447</b>

**APPENDIX W4  
 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		
					2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>NORTHERN CAPE</b>							
NCR017	Bulk Water Supply to Porth Nolloth	B	NC061	Richtersveld Local Municipality	9 801	12 543	5 857
NCR016	Bulk Water Supply to Pannam	B	NC065	Pannam Local Municipality	800	16 500	11 000
NCR026	Wolfsburg Bulk Water Supply	B	NC066	Wolfsburg Local Municipality	600		
NCR027	Wilsburg Bulk Water Supply	B	NC066	Karoo Hoopland Local Municipality	11 201	29 043	16 857
<b>Total: Namaqualand Municipalities</b>							
NCR021	Neuport Bulk Water Supply	B	NC072	Unsoobomvu Local Municipality	30 000	30 000	11 000
NCRNEW	Gariep dam to Norvalspand Bulk Water Supply	B	NC072	Unsoobomvu Local Municipality			7 000
NCR015	De Aar Borehole Development	B	NC073	Emthanjeni Local Municipality	16 640		29 000
NCR024	Van Wyksvlei Bulk Water Supply	B	NC074	Kareeberg Local Municipality	900	20 406	
NCRNEW	Renosterberg Bulk Water Supply	B	NC075	Renosterberg Local Municipality	5 000		
NCRNEW	Van der Kloof - Vosburg Bulk Water Supply	B	NC075	Renosterberg Local Municipality			13 000
NCR003	Thembelihle Bulk Water Supply	B	NC076	Thembelihle Local Municipality	1 500		
NCR023	Strydenburg Bulk Water Supply	B	NC076	Thembelihle Local Municipality	3 899	8 362	
NCR022	Nidkerkshoop Bulk Water Supply	B	NC077	Sydenhema Local Municipality	1 000		
NCR003	PRIVY LA SEME BWS FS	C	DC7	Privy La Seme District Municipality	2 000		
<b>Total: Privy La Seme Municipalities</b>							
NCR028	Kalahari East to Mier pipeline	B	NC081	Mier Local Municipality	60 259	58 768	60 000
NCR029	Kakamas Wastewater treatment works	B	NC082	Ka-Gaib Local Municipality	600		60 000
<b>Total: Z.F. Magawana Municipalities</b>							
NCR025	Homesvale Waste Water Treatment Works	B	NC091	Sol Plaatje Local Municipality	25 000	5 550	20 000
NCR020	Windson to Holpan Bulk Water Supply	B	NC092	Dikgatlong Local Municipality	5 000	16 500	
NCR030	Warrenton Water Treatment Works	B	NC093	Magareng Local Municipality	800		14 173
<b>Total: Frances Baard Municipalities</b>							
NCR005	Hemingsvlei / Moshaweng Bulk Water Supply	B	NC451	Joe Morolong Local Municipality	31 000		
NCR018	Kuruman Bulk Water Supply	B	NC452	Go-Segonyana Local Municipality	30 000	5 638	
NCR031	Kaiba Bulk Water Supply	B	NC453	Gamagara Local Municipality	800	10 000	30 000
<b>Total: John Taob Motsepe Municipalities</b>							
<b>Total: Northern Cape Municipalities</b>							
<b>NORTH WEST</b>							
NWR004	Moretele Bulk	B	NW371	Moretele Local Municipality	5 000	18 000	41 252
NWR005	Madibeng Bulk Water Supply	B	NW372	Madibeng Local Municipality	42 400	50 000	95 215
NWR013	Koster Waste Water Treatment Works upgrade	B	NW374	Kaegengvlei Local Municipality	8 000	15 000	15 000
<b>Total: Bojanala Platinum Municipalities</b>							
NWR002	Ratou Bulk Water Supply	C	DC38	Njala Modiri Molema	23 000	45 000	50 000
NWR014	Mafikeng South Bulk Water Supply	C	DC38	Njala Modiri Molema	30 000	70 000	50 000
<b>Total: Njala Modiri Molema Municipalities</b>							
NWR009	Taung/Naledi Bulk Water Supply	C	DC39	Greater Taung/Naledi Local Municipalities	95 014	2 147	
NWR008	Greater Mamasu Bulk Water Supply	C	DC39	Mamasu Local Municipality	30 000	60 853	105 055
NWR018	Kaigamo/Molopo	C	DC39	Kaigamo/Molopo Local Municipality	2 000	7 000	15 000
<b>Total: Dr Ruth Segomotsi Mompati District Municipalities</b>							
NWR010	Ventersdorp Bulk Water Supply	B	NW401	Ventersdorp Local Municipality	5 586		
NWR016	Poekhofstroom Waste Water Treatment Works upgrade	B	NW402	Tlokweng Local Municipality	8 000	10 000	40 000
NWR015	Wohmannstad Waste Water Treatment Works	B	NW404	Maunass Hills Local Municipality	28 000	54 600	
<b>Total: Dr Kenneth Kaunda Municipalities</b>							
<b>Total: North West Municipalities</b>							
					<b>277 000</b>	<b>332 600</b>	<b>411 522</b>

APPENDIX W4  
 APPENDIX TO SCHEDULE 6: REGIONAL BULK INFRASTRUCTURE GRANT  
 BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT

Project Code	Project Name	Category	Water Service Authority	Benefiting Municipality	National Financial Year		
					2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>WESTERN CAPE</b>							
WCR018	Vanrhynsdorp Raw Water	B WCO11	Matzikama Local Municipality	Matzikama Local Municipality	2 500	15 158	20 003
WCR019	Klawer Bulk Water	B WCO11	Matzikama Local Municipality	Matzikama Local Municipality	2 500	4 573	8 377
WCR020	Cirrusdal Waste Water Treatment Plant	B WCO12	Cederberg Local Municipality	Cederberg Local Municipality	11 800	10 000	9 797
WCR021	Clanwilliam Water Treatment Works	B WCO12	Cederberg Local Municipality	Cederberg Local Municipality	4 000	5 975	
WCR004	West Coast Bulk Water Supply	C DC1	West Coast District Municipality	West Coast District Municipality	30 000	30 000	52 000
			<b>Total: West Coast Municipalities</b>		<b>50 800</b>	<b>65 706</b>	<b>90 177</b>
WCR003	Tulbagh Bulk Water Supply	B WCO22	Witzenberg Local Municipality	Witzenberg Local Municipality	889		8 500
WCR022	Panfl Bulk Sewer	B WCO23	Drakenstein Local Municipality	Drakenstein Local Municipality	12 500	13 756	
WCR023	Stellenbosch Waste Water Treatment Works	B WCO24	Stellenbosch Local Municipality	Stellenbosch Local Municipality	18 170	20 000	43 017
WCR005	Worcester Bulk Water	B WCO25	Breda Valley Local Municipality	Breda Valley Local Municipality	10 078		
			<b>Total: Cape Winelands Municipalities</b>		<b>41 637</b>	<b>33 756</b>	<b>51 517</b>
WCR009	Grabouw Waste Water Treatment Plant	B WCO31	Theewaterskloof Local Municipality	Theewaterskloof Local Municipality	7 602		
WCR012	Swellendam Waste Water Treatment Works	B WCO34	Swellendam Local Municipality	Swellendam Local Municipality	13 116		
			<b>Total: Overberg Municipalities</b>		<b>20 718</b>		
WCR015	Kamalaand Dam Relocation	B WCO41	Kamalaand Local Municipality	Kamalaand Local Municipality	2 500	5 000	5 000
WCR014	Caitezorp & Ludsmith Waste Water Treatment Works	B WCO41	Kamalaand Local Municipality	Kamalaand Local Municipality	3 000	3 000	10 000
WCR017	Outdshoom Groundwater	B WCO45	Outdshoom Local Municipality	Outdshoom Local Municipality	7 500	20 000	10 000
WCR016	Bitou Cross Border Bulk	B WCO47	Bitou Local Municipality	Kayema/ Bitou Local Municipalities	2 500	20 000	21 623
			<b>Total: Eden Municipalities</b>		<b>15 500</b>	<b>48 000</b>	<b>46 623</b>
WCR024	Beaufort West Bulk Water	B WCO53	Beaufort West Local Municipality	Beaufort West Local Municipality	4 145	5 772	16 683
			<b>Total: Central Karoo Municipalities</b>		<b>4 145</b>	<b>5 772</b>	<b>16 683</b>
			<b>Total: Western Cape Municipalities</b>		<b>132 800</b>	<b>153 234</b>	<b>205 000</b>
<b>National Total</b>					<b>3 986 986</b>	<b>4 221 654</b>	<b>4 623 602</b>

**APPENDIX W5**

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

## APPENDIX W5

## ANNEXURE TO SCHEDULE 5, PART A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES: TARGETS AND ALLOCATIONS PER PROVINCIAL DEPARTMENT

Public Works (Vote 7)	EPWP Integrated Grant to Provinces				
	Province/Provincial Department	FTE Performance Target	Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>EASTERN CAPE</b>					
Rural Development and Agrarian Reform	47	2 681			
Economic Development, Environmental Affairs and Tourism	14	2 102			
Education	21	3 115			
Health	13	2 000			
Human Settlements	18	2 654			
Local Government and Traditional Affairs	13	2 000			
Roads and Public Works	3 503	46 791			
Social Development and Special Programmes	13	2 000			
Sport, Recreation, Arts and Culture	14	2 102			
Transport	27	4 099			
<b>Total: Eastern Cape</b>	<b>3 683</b>	<b>69 544</b>	-	-	
<b>FREE STATE</b>					
Agriculture	30	2 254			
Human Settlements	13	2 000			
Economic Development, Tourism and Environmental Affairs	14	2 102			
Education	16	2 416			
Health	21	3 108			
Police, Roads and Transport	3 191	4 635			
Social Development	13	2 000			
Sport, Arts, Culture and Recreation	14	2 131			
Public Works and Rural Development	40	5 955			
<b>Total: Free State</b>	<b>3 352</b>	<b>26 601</b>	-	-	
<b>GAUTENG</b>					
Agriculture and Rural Development	29	2 454			
Education	16	2 450			
Health	13	2 010			
Housing	13	2 000			
Infrastructure Development	37	5 511			
Local Government	13	2 000			
Roads and Transport	1 277	3 140			
Social Development	13	2 000			
Sport, Arts, Culture and Recreation	13	2 000			
<b>Total: Gauteng</b>	<b>1 424</b>	<b>23 565</b>	-	-	
<b>KWAZULU-NATAL</b>					
Agriculture, Environmental Affairs and Rural Development	156	19 008			
Arts and Culture	14	2 102			
Co-operative Governance and Traditional Affairs	23	3 471			
Economic Development and Tourism	13	2 000			
Education	14	2 070			
Health	17	2 581			
Public Works	21	3 168			
Social Development	13	2 000			
Sport and Recreation	14	2 102			
Transport	5 092	59 443			
<b>Total: KwaZulu-Natal</b>	<b>5 377</b>	<b>97 945</b>	-	-	
<b>LIMPOPO</b>					
Agriculture	113	12 777			
Economic Development, Environment and Tourism	14	2 102			
Education	13	2 000			
Health	14	2 089			
Co-operative Governance, Human Settlements and Traditional Affairs	14	2 144			
Public Works	15	2 252			
Roads and Transport	2 902	4 518			
Rural Development	15	2 263			
Sport, Arts and Culture	14	2 102			
<b>Total: Limpopo</b>	<b>3 114</b>	<b>32 247</b>	-	-	

## APPENDIX W5

## ANNEXURE TO SCHEDULE 5, PART A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES: TARGETS AND ALLOCATIONS PER PROVINCIAL DEPARTMENT

Public Works (Vote 7)	EPWP Integrated Grant to Provinces				
	Province/Provincial Department	FTE Performance Target	Financial Year		
			2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>MPUMALANGA</b>					
Agriculture, Rural Development and Land Administration	92	11 274			
Co-operative Governance and Traditional Affairs	13	2 000			
Culture, Sport and Recreation	15	2 199			
Economic Development, Environment and Tourism	24	3 561			
Education	22	3 340			
Health	18	2 732			
Public Works, Roads and Transport	4 141	12 798			
Social Development	14	2 024			
<b>Total: Mpumalanga</b>	<b>4 339</b>	<b>39 928</b>	-	-	
<b>NORTHERN CAPE</b>					
Agriculture, Land Reform and Rural Development	34	2 102			
Cooperative Governance, Human Settlements and Traditional Affairs	19	2 836			
Economic Development and Tourism	27	4 102			
Education	14	2 025			
Environment and Nature Conservation	14	2 102			
Health	14	2 115			
Roads and Public Works	1 854	2 964			
Sport, Arts and Culture	14	2 102			
<b>Total: Northern Cape</b>	<b>1 990</b>	<b>20 348</b>	-	-	
<b>NORTH WEST</b>					
Agriculture and Rural Development	39	2 509			
Economic Development, Environment, Conservation and Tourism	14	2 102			
Education	13	2 000			
Local Government and Traditional Affairs	13	2 000			
Public Works, Roads and Transport	1 828	5 638			
<b>Total: North West</b>	<b>1 907</b>	<b>14 249</b>	-	-	
<b>WESTERN CAPE</b>					
Agriculture	26	2 248			
Cultural Affairs and Sport	15	2 224			
Environmental Affairs and Development Planning	18	2 748			
Health	16	2 417			
Human Settlements	26	3 842			
Transport and Public Works	1 662	8 477			
Education	17	2 564			
<b>Total: Western Cape</b>	<b>1 780</b>	<b>24 520</b>	-	-	
Unallocated			356 574	411 798	
<b>Grand Total</b>	<b>26 966</b>	<b>348 947</b>	<b>356 574</b>	<b>411 798</b>	



**APPENDIX W6**

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES: ALLOCATIONS  
PER PROVINCIAL DEPARTMENT**

## APPENDIX W6

## APPENDIX TO SCHEDULE 5, PART A: 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 2014/15	Financial Year		
		2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>EASTERN CAPE</b>				
Education	111	2 580		
Health	1 351	31 242		
Safety and Liaison	111	2 580		
Social Development and Special Programmes	111	2 580		
Sport, Recreation, Arts and Culture	118	2 732		
Unallocated			43 259	60 583
<b>Total: Eastern Cape</b>	<b>1 802</b>	<b>41 714</b>	<b>43 259</b>	<b>60 583</b>
<b>FREE STATE</b>				
Education	123	2 846		
Health	111	2 580		
Social Development	159	3 694		
Sport, Arts, Culture and Recreation	111	2 580		
Unallocated			12 133	16 992
<b>Total: Free State</b>	<b>504</b>	<b>11 700</b>	<b>12 133</b>	<b>16 992</b>
<b>GAUTENG</b>				
Education	1 558	36 016		
Health	626	14 475		
Social Development	876	20 267		
Sport, Arts, Culture and Recreation	111	2 580		
Unallocated			76 055	106 511
<b>Total: Gauteng</b>	<b>3 171</b>	<b>73 338</b>	<b>76 055</b>	<b>106 511</b>
<b>KWAZULU-NATAL</b>				
Community Safety and Liaison	111	2 580		
Education	111	2 580		
Health	111	2 580		
Social Development	162	3 746		
Sport and Recreation	348	8 058		
Unallocated			20 268	28 384
<b>Total: KwaZulu-Natal</b>	<b>843</b>	<b>19 544</b>	<b>20 268</b>	<b>28 384</b>
<b>LIMPOPO</b>				
Education	574	13 280		
Health	111	2 580		
Social Development	119	2 772		
Unallocated			19 322	27 060
<b>Total: Limpopo</b>	<b>804</b>	<b>18 632</b>	<b>19 322</b>	<b>27 060</b>
<b>MPUMALANGA</b>				
Community Safety, Security and Liaison	111	2 580		
Culture, Sport and Recreation	111	2 580		
Education	273	6 312		
Health	146	3 384		
Social Development	172	3 988		
Unallocated			19 542	27 368
<b>Total: Mpumalanga</b>	<b>813</b>	<b>18 844</b>	<b>19 542</b>	<b>27 368</b>

## APPENDIX W6

## APPENDIX TO SCHEDULE 5, PART A: 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 2014/15	Financial Year		
		2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>NORTHERN CAPE</b>				
Education	140	3 237		
Health	317	7 337		
Social Development	266	6 161		
Sport, Arts and Culture	111	2 580		
Transport, Safety and Liaison	116	2 703		
Unallocated			22 834	31 978
<b>Total: Northern Cape</b>	<b>950</b>	<b>22 018</b>	<b>22 834</b>	<b>31 978</b>
<b>NORTH WEST</b>				
Education	111	2 580		
Health	725	16 775		
Social Development, Women, Children and Persons with Disabilities	187	4 323		
Sport, Arts and Culture	113	2 628		
Unallocated			27 281	38 205
<b>Total: North West</b>	<b>1 136</b>	<b>26 306</b>	<b>27 281</b>	<b>38 205</b>
<b>WESTERN CAPE</b>				
Community Safety	171	3 970		
Cultural Affairs and Sport	146	3 392		
Health	111	2 580		
Social Development	111	2 580		
Education	577	13 354		
Unallocated			26 835	37 581
<b>Total: Western Cape</b>	<b>1 116</b>	<b>25 876</b>	<b>26 835</b>	<b>37 581</b>
<b>Grand Total</b>	<b>11 139</b>	<b>257 972</b>	<b>267 529</b>	<b>374 662</b>

**APPENDIX W7**

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

## APPENDIX W7

**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	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>Total Per Province/Components</b>			
Eastern Cape	167 997	314 193	283 130
Free State	49 847	32 826	23 888
Gauteng	96 143	136 613	204 613
KwaZulu-Natal	45 016	45 016	-
Limpopo	445 598	427 611	401 611
Mpumalanga	144 242	134 173	120 410
Northern Cape	17 006	16 884	3 145
North West	11 113	10 863	6 429
Western Cape	17 396	17 396	-
Unallocated	580 504	499 398	472 754
<b>Total</b>	<b>1 574 862</b>	<b>1 634 973</b>	<b>1 515 980</b>
<i>of which:</i>			
<b>Health Facility Revitalisation Grant Component</b>			
Eastern Cape	135 674	281 870	283 130
Free State	38 623	21 602	23 888
Gauteng	62 903	103 373	204 613
KwaZulu-Natal	-	-	-
Limpopo	420 424	402 437	401 611
Mpumalanga	127 382	117 313	120 410
Northern Cape	3 072	2 950	3 145
North West	6 280	6 030	6 429
Western Cape	-	-	-
Unallocated	185 504	85 398	71 812
<b>Total</b>	<b>979 862</b>	<b>1 020 973</b>	<b>1 115 038</b>
<b>Human Papillomavirus Vaccine Grant Component</b>			
Eastern Cape	32 323	32 323	-
Free State	11 224	11 224	-
Gauteng	33 240	33 240	-
KwaZulu-Natal	45 016	45 016	-
Limpopo	25 174	25 174	-
Mpumalanga	16 860	16 860	-
Northern Cape	13 934	13 934	-
North West	4 833	4 833	-
Western Cape	17 396	17 396	-
<b>Total</b>	<b>200 000</b>	<b>200 000</b>	<b>-</b>
<b>National Health Insurance Grant Component</b>			
<i>of which:</i>			
<b>(a) National Health Insurance - Central Hospitals</b>			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated	20 000	25 000	30 000
<b>Total</b>	<b>20 000</b>	<b>25 000</b>	<b>30 000</b>

## APPENDIX W7

**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	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
<b>(b) National Health Insurance - Medical Practitioner Contracting</b>			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated	375 000	389 000	370 942
<b>Total</b>	<b>375 000</b>	<b>389 000</b>	<b>370 942</b>
<b>National Health Insurance Grant Component Total</b>	<b>395 000</b>	<b>414 000</b>	<b>400 942</b>

**APPENDIX W8**

**APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF HUMAN SETTLEMENTS DEVELOPMENT GRANT : ALLOCATIONS PER PROVINCE  
PER PROVINCE**

## APPENDIX W8

APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF HUMAN SETTLEMENTS  
DEVELOPMENT GRANT: ALLOCATIONS PER PROVINCE

Human Settlements (Vote 31)	Human Settlements Development Grant		
Provinces	Financial Year		
Bucket Eradication	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
Eastern Cape	143 443	155 602	-
Free State	335 337	363 763	-
Gauteng	98 915	107 299	-
KwaZulu-Natal	36 086	39 145	-
Limpopo	1 851	2 008	-
Mpumalanga	13 850	15 024	-
Northern Cape	125 297	135 919	-
North West	38 748	42 032	-
Western Cape	105 650	114 606	-
<b>Total</b>	<b>899 177</b>	<b>975 399</b>	-



**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 15)	School Infrastructure Backlogs Grant		
Province	Financial Year		
	2014/15 (R'000)	2015/16 (R'000)	2016/17 (R'000)
Eastern Cape	1 598 271	1 323 489	1 419 952
Free State	515 217	426 640	457 736
Gauteng	12 737	10 544	11 313
KwaZulu-Natal	182 578	151 190	162 209
Limpopo	76 792	63 591	68 225
Mpumalanga	106 177	87 924	94 332
Northern Cape	15 671	12 978	13 924
North West	33 384	27 646	29 661
Western Cape	397 676	329 308	353 310
<b>Total</b>	<b>2 938 503</b>	<b>2 433 310</b>	<b>2 610 662</b>



