

REPUBLIC OF SOUTH AFRICA

DIVISION OF REVENUE BILL

*(As introduced in the National Assembly (proposed section 76); explanatory summary of Bill and prior notice of its introduction published in Government Gazette No. 44173 of 5 February 2021)
(The English text is the official text of the Bill)*

(MINISTER OF FINANCE)

[B 3—2021]

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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 2021/22 financial year; the determination of each province's equitable share; allocations to provinces, local government and municipalities from national government's equitable share; 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 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; and

WHEREAS section 7(1) of the Money Bills and Related Matters Act, 2009 (Act No. 9 of 2009), requires the introduction of the Division of Revenue Bill at the same time as the Appropriation Bill is introduced,

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

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CHAPTER 1
INTERPRETATION AND OBJECTS OF ACT

Interpretation

- 1.** (1) In this Act, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Public Finance Management Act or the Municipal Finance Management Act has the meaning assigned to it in the Act in question, and—
- “**accreditation**” means accreditation of a municipality, in terms of section 10(2) of the Housing Act, 1997 (Act No. 107 of 1997), to administer national housing programmes, read with Part 3 of the National Housing Code, 2009 (Financial Interventions: Accreditation of Municipalities);
- “**allocation**” means the equitable share allocation to the national sphere of government in Schedule 1, a province in Schedule 2 or a municipality in Schedule 3, or a conditional allocation;
- “**category A, B or C municipality**” means a category A, B or C municipality envisaged in section 155(1) of the Constitution;
- “**classified disaster**” means a disaster classified as a national, provincial or local state of disaster in terms of section 23 of the Disaster Management Act, 2002 (Act No. 57 of 2002);
- “**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 15 or 25;
- “**Health Facility Revitalisation Grant**” means the Health Facility Revitalisation Grant referred to in Part A of Schedule 5;
- “**housing emergency**” means a housing emergency as defined in paragraphs 2.3.1 (a) and (b) of the Emergency Housing Programme contained in the National Housing Code published in terms of section 4 of the Housing Act, 1997 (Act No. 107 of 1997);
- “**Human Settlements Development Grant**” means the Human Settlements Development Grant referred to in Part A of Schedule 5;
- “**legislation**” means national legislation or provincial legislation as defined in section 239 of the Constitution;
- “**level one accreditation**” means accreditation to render beneficiary management, subsidy budget planning and allocation, and priority programme management and administration, of national housing programmes;
- “**level two accreditation**” means accreditation to render full programme management and administration of all housing instruments and national housing programmes in addition to the responsibilities under a level one accreditation;
- “**Maths, Science and Technology Grant**” means the Maths, Science and Technology Grant referred to in Part A of Schedule 5;
- “**medium term expenditure framework**” means a budgeting framework applied by the National Treasury which—
- (a) translates government policies and plans into a multi-year spending plan; and
- (b) promotes transparency, accountability and effective public financial management;
- “**Municipal Demarcation Act**” means the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);
- “**Municipal Finance Management Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

- “**Municipal Structures Act**” means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);
- “**Municipal Systems Act**” means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);
- “**Neighbourhood Development Partnership Grant**” means the Neighbourhood Development Partnership Grant referred to in Part B of Schedule 5 or Part B of Schedule 6; 5
- “**organ of state**” means an organ of state as defined in section 239 of the Constitution;
- “**overpayment**” means the transfer of more than the allocated amount of an allocation or the transfer of an allocation in excess of the applicable amount in a payment schedule; 10
- “**payment schedule**” means a schedule which sets out—
- (a) the amount of each transfer of a provincial equitable share or a conditional allocation for a province or municipality to be transferred in terms of this Act;
 - (b) the date on which each transfer must be paid; and
 - (c) to whom, and to which bank account, each transfer must be paid; 15
- “**prescribe**” means prescribe by regulation in terms of section 37;
- “**primary bank account**”, in relation to—
- (a) a province, means a bank account of the Provincial Revenue Fund, envisaged in section 21(2) of the Public Finance Management Act and which the accounting officer of the provincial treasury has certified to the National Treasury; or 20
 - (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; 25
- “**Public Finance Management Act**” means the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- “**Public Transport Network Grant**” means the Public Transport Network Grant referred to in Part B of Schedule 5;
- “**Public Transport Operations Grant**” means the Public Transport Operations Grant referred to in Part A of Schedule 4; 30
- “**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; 35
 - (iii) 1 October to 31 December; or
 - (iv) 1 January to 31 March; or
 - (b) a municipality, the period from—
 - (i) 1 July to 30 September;
 - (ii) 1 October to 31 December; 40
 - (iii) 1 January to 31 March; or
 - (iv) 1 April to 30 June;
- “**receiving municipality**” means a municipality incorporating another municipality or part thereof as a result of a redetermination in terms of section 21(1)(b) of the Municipal Demarcation Act; 45
- “**receiving officer**” means, in relation to—
- (a) a Schedule 4, 5 or 7 allocation transferred to a province, the accounting officer of the provincial department which receives that allocation or a portion thereof for expenditure through an appropriation from its Provincial Revenue Fund; or 50
 - (b) a Schedule 4, 5 or 7 allocation transferred or provided in kind to a municipality, the accounting officer of the municipality;
- “**receiving provincial department**”, in relation to a Schedule 4, 5 or 7 allocation transferred to a province, means the provincial department which receives that allocation or a portion thereof for expenditure through an appropriation from its Provincial Revenue Fund; 55
- “**releasing municipality**” means a municipality or part thereof which is incorporated into another municipality as a result of a redetermination in terms of section 21(1)(b) of the Municipal Demarcation Act;
- “**School Infrastructure Backlogs Grant**” means the School Infrastructure Backlogs Grant referred to in Part A of Schedule 6; 60
- “**this Act**” includes any framework or allocation published, or any regulation made, in terms of this Act;

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

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

“**working day**” means any day, except a Saturday, a Sunday or a public holiday as defined in the Public Holidays Act, 1994 (Act No. 36 of 1994).

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

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;
 - (ii) the determination of each province’s equitable share of the provincial share of that revenue; and
 - (iii) other allocations to provinces, local government or municipalities from the national government’s share of that revenue and conditions on which those allocations are made;
- (b) to promote predictability and certainty in respect of all allocations to provinces and municipalities, in order that provinces and municipalities may plan their budgets over a multi-year period and thereby promote better coordination between policy, planning and budgeting; and
- (c) to promote transparency and accountability in the resource allocation process, by ensuring that all allocations, except Schedule 6 allocations, are reflected on the budgets of provinces and municipalities and the expenditure of conditional allocations is reported on by the receiving provincial departments and municipalities.

CHAPTER 2

EQUITABLE SHARE ALLOCATIONS

Equitable division of revenue raised nationally among spheres of government

3. (1) Revenue raised nationally in respect of the 2021/22 financial year must be divided among the national, provincial and local spheres of government as set out in Column A of Schedule 1.

(2) The envisaged division among the national, provincial and local spheres of government of revenue anticipated to be raised nationally in respect of the 2022/23 financial year and the 2023/24 financial year, and which is subject to the 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 2021/22 financial year is set out in Column A of Schedule 2.

(2) The envisaged equitable share for each province of revenue anticipated to be raised nationally in respect of the 2022/23 financial year and the 2023/24 financial year, and which is subject to the Division of Revenue Acts for those financial years, is set out in Column B of Schedule 2.

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

Equitable division of local government share among municipalities

5. (1) Each municipality’s equitable share of local government’s share of revenue raised nationally in respect of the 2021/22 financial year is set out in Column A of Schedule 3.

(2) The envisaged equitable share for each municipality of revenue anticipated to be raised nationally in respect of the 2022/23 financial year and the 2023/24 financial year,

and which is subject to the Division of Revenue Acts for those financial years, is set out in Column B of Schedule 3.

(3) The national department responsible for local government must transfer a municipality's equitable share referred to in subsection (1) to the primary bank account of the municipality in three transfers on 6 July 2021, 7 December 2021 and 15 March 2022, in the amounts determined in terms of section 22(2). 5

Shortfalls and excess revenue

6. (1) If the actual revenue raised nationally in respect of the 2021/22 financial year falls short of the anticipated revenue set out in Column A of Schedule 1, the national government bears the shortfall. 10

(2) If the actual revenue raised nationally in respect of the 2021/22 financial year exceeds the anticipated revenue set out in Column A of Schedule 1, the excess accrues to the national government, and may be used to reduce borrowing or pay debt as part of its share of revenue raised nationally.

(3) A portion of national government's equitable share or excess revenue envisaged in subsection (2), may be appropriated through the applicable legislation envisaged in section 12 of the Money Bills and Related Matters Act, 2009 (Act No. 9 of 2009), to make further allocations to— 15

- (a) national departments; or
- (b) provinces or municipalities. 20

CHAPTER 3

CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

Part 1

Conditional allocations

Conditional allocations to provinces 25

7. (1) Conditional allocations to provinces for the 2021/22 financial year from the national government's share of revenue raised nationally are set out in—

- (a) Part A of Schedule 4, specifying allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets;
- (b) Part A of Schedule 5, specifying specific-purpose allocations to provinces; 30
- (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 an immediate response to a classified disaster or housing emergency. 35

(2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the 2022/23 financial year and the 2023/24 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). 40

Conditional allocations to municipalities

8. (1) Conditional allocations to municipalities in respect of the 2021/22 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; 45
- (b) Part B of Schedule 5, specifying specific-purpose allocations to municipalities;
- (c) Part B of Schedule 6, specifying allocations-in-kind to municipalities for designated special programmes; and
- (d) Part B of Schedule 7, specifying funds that are not allocated to specific municipalities that may be released to municipalities to fund an immediate response to a classified disaster or housing emergency. 50

(2) An envisaged division of conditional allocations to municipalities from the national government's share of revenue anticipated to be raised nationally for the

2022/23 financial year and the 2023/24 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).

(3) (a) A municipality that intends to pledge a conditional allocation, or a portion thereof, as security for any obligations in terms of section 48 of the Municipal Finance Management Act, must, in addition to notifying the National Treasury in terms of section 46(3) of that Act, notify the transferring officer and the relevant provincial treasury of that intention and provide the transferring officer and National Treasury at least 21 days to comment before seeking the approval of the municipal council. 5

(b) A municipality must submit financial and non-financial reports, in the format and on the dates determined by the National Treasury, for any project pledged to be partially or fully funded by using a conditional allocation, or a portion thereof, as security as envisaged in paragraph (a). 10

Part 2

Duties of accounting officers in respect of Schedule 4 to 7 allocations 15

Duties of transferring officer in respect of Schedule 4 allocations

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

- (a) ensure that transfers to all provinces and municipalities are—
 - (i) deposited only into the primary bank account of the relevant province or municipality; and 20
 - (ii) made in accordance with the payment schedule determined in terms of section 22, unless allocations are withheld or stopped in terms of section 17 or 18;
- (b) monitor information on financial and non-financial performance of programmes partially or fully funded by an allocation in Part A of Schedule 4, in accordance with subsection (2) and the applicable framework; 25
- (c) monitor information on financial and non-financial performance of the Urban Settlements Development Grant against the capital budget and the service delivery and budget implementation plan;
- (d) comply with the applicable framework; 30
- (e) submit a quarterly financial and non-financial performance report within 45 days after the end of each quarter to the National Treasury in terms of the applicable framework; and
- (f) evaluate the performance of programmes funded or partially funded by the allocation and submit such evaluations to the National Treasury within four months after the end of the 2021/22 financial year applicable to a provincial department or a municipality, as the case may be. 35

(2) Any monitoring programme or system that is used to monitor information on financial and non-financial performance of a programme partially or fully funded by a Schedule 4 allocation must— 40

- (a) be approved by the National Treasury;
- (b) not impose any excessive administrative responsibility on receiving officers beyond the provision of standard management and budget information;
- (c) be compatible and integrated with and not duplicate other relevant national, provincial and local systems; and 45
- (d) support compliance with section 11(2).

(3) A framework may impose a duty on the accounting officer of a national or provincial department, other than the transferring officer or receiving officer, that contributes to achieving the purpose of the allocation, and the accounting officer must comply with the duty. 50

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

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

- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that—
 - (i) any monitoring or system that is used, is compatible and integrated with and does not duplicate other relevant national, provincial and local systems; and 55

- (ii) any plans required in terms of the framework of a Schedule 5 allocation regarding the use of the allocation by—
 - (aa) a province, have been approved before the start of the financial year;
 - or
 - (bb) a municipality, shall be approved before the start of the financial year; 5
 - (b) in respect of Schedule 5 allocations—
 - (i) transfer funds only after receipt of all information required to be submitted by the receiving officer in terms of this Act and after submission of all relevant information to the National Treasury; 10
 - (ii) transfer funds in accordance with the payment schedule determined in terms of section 22, unless allocations are withheld or stopped in terms of section 17 or 18; and
 - (iii) deposit funds only into the primary bank account of the relevant province or municipality; and 15
 - (c) comply with the applicable framework.
- (2) The transferring officer must submit all relevant information and documentation referred to in subsection (1)(a) to the National Treasury within 14 days after this Act takes effect.
- (3) A transferring officer, who has not complied with subsection (1), must transfer the allocation in the manner instructed by the National Treasury, including transferring the allocation as an unconditional allocation. 20
- (4) Before making the first transfer of any allocation in terms of subsection (1)(b), the transferring officer must take note of any notice in terms of section 30(1) containing the details of the relevant primary bank accounts. 25
- (5) The transferring officer of a Schedule 5 allocation to a municipality is responsible for monitoring financial and non-financial performance information on programmes funded by the allocation.
- (6) (a) The transferring officer of a Schedule 5 or 6 allocation must, as part of the reporting envisaged in section 40(4)(c) of the Public Finance Management Act, but subject to paragraph (b), submit information, in the format determined by the National Treasury, for the month in question, and for the 2021/22 financial year up to the end of that month, on— 30
- (i) the amount of funds transferred to a province or municipality;
 - (ii) the amount of funds for any province or municipality withheld or stopped in terms of section 17 or 18, the reasons for the withholding or stopping and the steps taken by the transferring officer and the receiving officer to deal with the matters or causes that necessitated the withholding or stopping of the payment; 35
 - (iii) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 allocation; 40
 - (iv) the actual expenditure incurred by the transferring officer in respect of a Schedule 6 allocation;
 - (v) any matter or information that may be required by the applicable framework for the particular allocation; and
 - (vi) such other matters as the National Treasury may determine. 45
- (b) For purposes of the application of paragraph (a) to Part B of Schedule 5, the period of 15 days envisaged in section 40(4)(c) of the Public Finance Management Act must be construed to mean a period of 20 days.
- (7) A transferring officer must submit to the National Treasury—
- (a) a monthly provincial report on infrastructure expenditure partially or fully funded by the Health Facility Revitalisation Grant, National Health Insurance Indirect Grant, School Infrastructure Backlogs Grant or Maths, Science and Technology Grant, within 22 days after the end of each month, in the format determined by the National Treasury; and 50
 - (b) a quarterly performance report on 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 applicable framework. 55
- (8) The transferring officer must evaluate the performance of all programmes partially or fully funded by a Schedule 5 or 6 allocation and submit such evaluations to the National Treasury within four months after the end of the 2021/22 financial year applicable to a provincial department or a municipality, as the case may be. 60

(9) The transferring officer of the Human Settlements Development Grant may only transfer the Grant to a province after the relevant receiving officer has complied with section 12(6)(a) and (b).

(10) A framework may impose a duty on the accounting officer of a national or provincial department, other than the transferring officer or receiving officer, that contributes to achieving the purpose of the allocation and the accounting officer must comply with the duty. 5

Duties of receiving officer in respect of Schedule 4 allocations

- 11.** (1) The receiving officer of a Schedule 4 allocation is responsible for— 10
- (a) complying with the applicable framework; and
 - (b) the manner in which the allocation received from a transferring officer is allocated and spent.
- (2) The receiving officer of a municipality must—
- (a) ensure and certify to the National Treasury that the municipality— 15
 - (i) indicates each programme partially or fully funded by a Schedule 4 allocation in its annual budget and that the allocation is specifically and exclusively appropriated in that budget for utilisation only according to the purpose of the allocation; and
 - (ii) makes public, in terms of section 21A of the Municipal Systems Act, the conditions and other information in respect of the allocation, to facilitate performance measurement and the use of required inputs and outputs; 20
 - (b) when submitting the municipality's statements in terms of section 71 of the Municipal Finance Management Act for September 2021, December 2021, March 2022 and June 2022, report to the transferring officer, the relevant provincial treasury and the National Treasury— 25
 - (i) in respect of the Urban Settlements Development Grant, on financial performance against its capital budget and the measures defined in its service delivery and budget implementation plan; and
 - (ii) in respect of any other Schedule 4 allocation, on financial performance of programmes partially or fully funded by the allocation; and 30
 - (c) within 30 days after the end of each quarter, report to the transferring officer and the National Treasury—
 - (i) in respect of the Urban Settlements Development Grant, on non-financial performance for that quarter against the measures defined in its service delivery and budget implementation plan; and 35
 - (ii) in respect of any other Schedule 4 allocation, on non-financial performance of programmes partially or fully funded by the allocation.
- (3) The National Treasury must make the report submitted to it in terms of subsection (2)(b) or (c) available to the transferring officer of the Urban Settlements Development Grant, Public Transport Network Grant and Integrated National Electrification Programme Grant and the accounting officer of any other national department having responsibilities relating to the applicable allocation. 40
- (4) The receiving officer of a provincial department must submit to the relevant provincial treasury and the transferring officer—
- (a) as part of the report required in section 40(4)(c) of the Public Finance Management Act, reports on financial and non-financial performance of programmes partially or fully funded by a Schedule 4 allocation; 45
 - (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 50
 - (c) a monthly provincial report on infrastructure programmes partially or fully funded by a Schedule 4 allocation within 15 days after the end of each month, in the format determined by the National Treasury.
- (5) The receiving officer must report on programmes partially or fully funded by a Schedule 4 allocation against the applicable framework in its annual financial statements and annual report. 55
- (6) The receiving officer must evaluate the financial and non-financial performance of the provincial department or municipality, as the case may be, in respect of programmes

partially or fully funded by a Schedule 4 allocation and submit such evaluation to the transferring officer and the relevant provincial treasury within two months—

- (a) in respect of a provincial department, after the end of the 2021/22 financial year of the provincial department; and
- (b) in respect of a municipality, after the end of the 2021/22 financial year of the municipality. 5

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 comply with the applicable framework.

(2) The relevant receiving officer must, in respect of a Schedule 5 or 7 allocation transferred to— 10

- (a) a province, as part of the report required in section 40(4)(c) of the Public Finance Management Act, report on the matters referred to in subsection (3) and submit a copy of that report to the relevant provincial treasury and the transferring officer; 15
- (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant transferring officer; and
- (c) a province or municipality, submit a quarterly non-financial performance report within 30 days after the end of each quarter. 20

(3) A report for a province in terms of subsection (2)(a) must set out for the month in question and for the 2021/22 financial year up to the end of the month—

- (a) the amount received by the province;
- (b) the amount of funds stopped or withheld in terms of section 17 or 18, the reason for the stopping or withholding and any remedial action taken; 25
- (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; 30
- (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; 35
- (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;
- (h) any matter or information that may be determined in the framework for the allocation; and 40
- (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 2021/22 financial year up to the end of the month—

- (a) the amount received by the municipality; 45
- (b) the amount of funds stopped or withheld in terms of section 17 or 18, the reason for the stopping or withholding and any remedial action taken;
- (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;
- (d) an explanation of any material difficulties experienced by the municipality regarding an allocation which has been received and a summary of the steps taken to deal with such difficulties; 50
- (e) any matter or information that may be determined in the framework for the allocation; and
- (f) such other matters and information as the National Treasury may determine. 55

(5) The receiving officer must evaluate the financial and non-financial performance of the provincial department or municipality, as the case may be, in respect of programmes partially or fully funded by a Schedule 5 allocation and submit such evaluation to the transferring officer and the relevant provincial treasury within two months after the end of the 2021/22 financial year applicable to a provincial department or a municipality, as the case may be. 60

(6) (a) The receiving officer of the Human Settlements Development Grant must, in consultation with the transferring officer and after consultation with each affected municipality, publish in the *Gazette*, within 14 days after this Act takes effect, the planned expenditure from the Human Settlements Development Grant, for the 2021/22 financial year, the 2022/23 financial year and the 2023/24 financial year per municipality with level one or level two accreditation. 5

(b) The planned expenditure must—

- (i) indicate the expenditure to be undertaken directly by the province and transfers to each municipality; and
- (ii) include a payment schedule for transfers to each municipality in the 2021/22 financial year. 10

(c) The receiving officer of the Human Settlements Development Grant may, by notice in the *Gazette*, after taking into account the performance of the municipality and after consultation with the affected municipality and in consultation with the transferring officer, amend the planned expenditure for that municipality published in terms of paragraph (a). 15

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, Human Settlements Development Grant, Provincial Roads Maintenance Grant and any other conditional allocation partially or fully funding infrastructure must— 20

- (a) submit to the relevant provincial treasury a list of all infrastructure projects partially or fully funded by the relevant Grant over the medium term expenditure framework for tabling as part of the estimates of provincial expenditure in the provincial legislature in the format determined by the National Treasury; 25
- (b) within seven days after the tabling in the legislature, submit the list to the transferring officer and the National Treasury;
- (c) after consultation with the relevant provincial treasury and the transferring officer, submit any amendments to the infrastructure project list, together with reasons for the amendments, to the provincial treasury for tabling with the adjusted estimates of provincial expenditure; 30
- (d) within seven days after the tabling in the legislature, submit the amended list to the transferring officer and the National Treasury; 35
- (e) report, in the format and on the date determined by the National Treasury, to the transferring officer, relevant provincial treasury and the National Treasury, on all infrastructure expenditure partially or fully funded by the relevant Grant;
- (f) within 15 days after the end of each month, in the format determined by the National Treasury, submit to the relevant provincial treasury and transferring officer, a draft report on infrastructure programmes partially or fully funded from those Grants; 40
- (g) within 22 days after the end of each month, submit to the National Treasury, a final report on infrastructure programmes partially or fully funded from those Grants; and 45
- (h) within two months after the end of the 2021/22 financial year—
 - (i) based on the infrastructure budget of the province, evaluate the financial and non-financial performance of the province in respect of programmes partially or fully funded by the Grant; and 50
 - (ii) submit the evaluation to the transferring officer, the relevant provincial treasury and the National Treasury.

(2) The receiving officer of the Education Infrastructure Grant or Health Facility Revitalisation Grant must—

- (a) within 22 days after the end of each quarter, submit to the transferring officer, the relevant provincial treasury and the National Treasury, a final report on the filling of posts on the approved establishment for the infrastructure unit of the affected provincial department; and 55
- (b) ensure that projects comply with infrastructure delivery management best practice standards and guidelines, as identified and approved by the National Treasury. 60

Duties in respect of annual financial statements and annual reports for 2021/22

- 14.** (1) The 2021/22 financial statements of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate the total amount of that allocation transferred to a province or municipality; 5
 - (b) indicate any transfer withheld or stopped in terms of section 17 or 18 in respect of each province or municipality and the reason for the withholding or stopping;
 - (c) indicate any transfer not made in accordance with the payment schedule or amended payment schedule, unless withheld or stopped in terms of section 17 or 18, and the reason for the non-compliance; 10
 - (d) indicate any reallocations by the National Treasury in terms of section 19;
 - (e) certify that all transfers to a province or municipality were deposited into the primary bank account of a province or municipality; and 15
 - (f) indicate the funds, if any, used for the administration of the allocation by the receiving officer.
- (2) The 2021/22 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— 20
- (a) the reasons for the withholding or stopping of all transfers to a province or municipality in terms of section 17 or 18;
 - (b) the extent that compliance with this Act by provinces or municipalities was monitored;
 - (c) the extent that the allocation achieved its objectives and outputs; and 25
 - (d) any non-compliance with this Act and the steps taken to address the non-compliance.
- (3) The 2021/22 financial statements of a provincial department receiving an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation— 30
- (a) indicate the total amount of all allocations received;
 - (b) indicate the total amount of allocations received that were budgeted to be transferred to municipalities and public entities, including—
 - (i) the amounts transferred to municipalities and public entities, respectively; and 35
 - (ii) the reasons for any discrepancies;
 - (c) indicate the total amount of actual expenditure on each Schedule 5 or 7 allocation; and
 - (d) 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. 40
- (4) The 2021/22 annual report of a provincial department receiving an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate the extent that the provincial department complied with this Act;
 - (b) indicate the steps taken to address non-compliance with this Act;
 - (c) indicate the extent that the allocation achieved its objectives and outputs; 45
 - (d) contain any other information that may be specified in the framework for the allocation; and
 - (e) contain such other information as the National Treasury may determine.
- (5) The 2021/22 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. 50
- (6) To facilitate the monitoring of performance and the audit of the allocations for the 2021/22 financial year, the National Treasury may determine the format in which receiving officers must report on conditional allocations to municipalities in terms of sections 11(2)(c) and 12(2)(c). 55

Part 3**Matters relating to Schedule 4 to 7 allocations****Publication of allocations and frameworks**

- 15.** (1) The National Treasury must, within 14 working days after this Act takes effect, publish by notice in the *Gazette*— 5
- (a) the conditional allocations per municipality for Part B of Schedule 5 allocations;
 - (b) the indicative conditional allocations per province for Part A of Schedule 6 allocations and per municipality for Part B of Schedule 6 allocations; and
 - (c) the framework for each conditional allocation in Schedules 4 to 7. 10
- (2) For purposes of correcting an error or omission in an allocation or framework published in terms of subsection (1)(a) or (c), the National Treasury must—
- (a) on its initiative and after consultation with the relevant transferring officer; or
 - (b) at the written request of the relevant transferring officer, 15
- by notice in the *Gazette*, amend the affected allocation or framework.
- (3) The National Treasury may, after consultation with the relevant transferring officer and by notice in the *Gazette*, amend an indicative conditional allocation in Schedule 6 published in terms of subsection (1)(b).
- (4) Before amending a framework in terms of subsection (2), the National Treasury must submit the proposed amendment to Parliament for comment for a period of 14 days 20 when Parliament is in session.
- (5) An amendment of an allocation or framework in terms of subsection (2) or (3) takes effect on the date of publication of the notice in the *Gazette*.

Expenditure in terms of purpose and subject to conditions

- 16.** (1) Despite any other legislation to the contrary, an allocation referred to in Schedules 4 to 7 may only be used for the purpose stipulated in the Schedule concerned and in accordance with the applicable framework. 25
- (2) (a) A framework may provide for components within a conditional allocation that are subject to specific conditions.
- (b) A transferring officer may shift funds from one component to another— 30
 - (i) after consulting the relevant receiving officer;
 - (ii) with the approval of the National Treasury; and
 - (iii) in accordance with the applicable appropriation legislation.
 - (c) The National Treasury must publish a notice in the *Gazette* of a shift of funds in terms of paragraph (b). 35
- (3) A receiving officer may not allocate any portion of a Schedule 5 allocation to any other organ of state for the performance of a function, unless the receiving officer and the organ of state agree on the obligations of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and the National Treasury of the agreed payment schedule and— 40
- (a) the allocation—
 - (i) is approved in the budget for the receiving provincial department or municipality; or
 - (ii) if not already so approved—
 - (aa) the receiving officer notifies the National Treasury that the purpose 45
 - of the allocation is not to artificially inflate the expenditure estimates of the relevant provincial department or municipality and indicates the reasons for the allocation; and
 - (bb) the National Treasury approves the allocation; or
 - (b) the allocation is for the payment for goods or services procured in accordance 50
 - with the procurement prescripts applicable to the relevant province or municipality and, if it is an advance payment, paragraph (a)(ii) applies with the necessary changes.
- (4) The receiving officer must submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury before payment is made. 55
- (5) For purposes of the implementation of a Schedule 6 allocation to a municipality—
- (a) Eskom Holdings Limited may receive funds directly from the transferring officer of the Department of Mineral Resources and Energy; or

(b) a water board, as defined in section 1 of the Water Services Act, 1997 (Act No. 108 of 1997), may receive funds directly from the transferring officer of the Department of Water and Sanitation.

(6) (a) For purposes of the Human Settlements Development Grant, a receiving officer and a municipality with level one or two accreditation or functions assigned in terms of section 126 of the Constitution to administer all aspects, including financial administration of a national housing programme (herein called “assigned functions”) as at 1 April 2021, must, by the date determined by the National Treasury—

- (i) enter into a payment schedule; and
- (ii) submit, through the relevant provincial treasury, the payment schedule to the National Treasury.

(b) If a municipality receives accreditation after 1 April 2021, the National Treasury may approve that paragraph (a) applies to that municipality.

(c) If the transfer of the Human Settlements Development Grant to a municipality with assigned functions is withheld or stopped in terms of section 17 or 18, the receiving officer must request the National Treasury to amend the payment schedule in terms of section 23.

(7) If a function, which is partially or fully funded by a conditional allocation to a province, is assigned to a municipality, as envisaged in section 10 of the Municipal Systems Act—

- (a) the funds from the conditional allocation for the province for the function must be stopped in terms of section 18 and reallocated in terms of section 19 to the municipality, which has been assigned the function;
- (b) if possible, the province must finalise any project or fulfil any contract regarding the function before the date the function is assigned and, if not finalised, the province must notify the relevant municipality and the National Treasury;
- (c) any project or contract regarding the function not finalised or fulfilled at the date at which the function is assigned, must be subjected to an external audit and the province and the municipality must enter into an agreement to complete the project or fulfil the contract through ceding it to the municipality;
- (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 2022 and shall not be available in terms of section 30 of the Public Finance Management Act or section 22(2);
- (e) the receiving officer of the province must, within seven days after the function is assigned, submit to the transferring officer and the National Treasury a list of liabilities that are attached to the function, but that were not transferred to the municipality, to provide for the adjustment of the applicable allocations; and
- (f) the receiving officer of the municipality must, within one month from the date of the stopping of funds in paragraph (a), submit to the transferring officer a revised plan for its planned expenditure.

Withholding of allocations

17. (1) Subject to subsections (2) and (3), a transferring officer may withhold the transfer of a Schedule 4 or 5 allocation, or any portion thereof, for a period not exceeding 30 days, if—

- (a) the province or municipality does not comply with any provision of this Act;
- (b) roll-overs of conditional allocations approved by the National Treasury in terms of section 21 have not been spent; or
- (c) a satisfactory explanation is not given for significant under-expenditure on previous transfers during the 2020/21 financial year.

(2) If an allocation is withheld in terms of subsection (1), it suspends the applicable payment schedule, approved in terms of section 22(3), until it is amended in terms of section 23.

(3) The amount withheld in terms of this section in the case of the Health Professions Training and Development Grant or the National Tertiary Services Grant listed in Part A of Schedule 4 may not exceed five per cent of the next transfer as contained in the relevant payment schedule.

- (4) A transferring officer must, at least seven working days before withholding an allocation in terms of subsection (1)—
- (a) give the relevant receiving officer—
 - (i) notice of the intention to withhold the allocation;
 - (ii) an opportunity to submit written representations as to why the allocation should not be withheld; and
 - (iii) the period within which to submit written representations; 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 of the withholding.
- (5) A notice envisaged in subsection (4)(a)(i) must include the reasons for withholding the allocation and the intended duration of the withholding to inform the amendment of the payment schedule in terms of section 23.
- (6) (a) The National Treasury may instruct, or approve a request from, the transferring 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 shall—
- (i) facilitate compliance with this Act; or
 - (ii) minimise the risk of under-spending by the relevant provincial department or municipality.
- (b) When requesting the withholding of an allocation in terms of this subsection, a transferring officer must submit to the National Treasury proof of compliance with subsection (4) and any representations received from the receiving officer.
- (c) The transferring officer must again comply with subsection (4) when the National Treasury instructs, or approves a request by, the transferring officer in terms of paragraph (a).

Stopping of allocations

- 18.** (1) Despite section 17, the National Treasury may, in its discretion or on request of a transferring officer or a receiving officer, stop the transfer of a Schedule 4 or 5 allocation, or a portion thereof, to a province or municipality—
- (a) in the case of—
 - (i) a province, if a serious or persistent material breach of this Act, as envisaged in section 216(2) of the Constitution, occurs; or
 - (ii) a municipality, if—
 - (aa) a serious or persistent material breach of this Act, as envisaged in section 216(2) of the Constitution, read with section 38(1)(b)(i) of the Municipal Finance Management Act, occurs; or
 - (bb) a breach or failure to comply, as envisaged in section 38(1)(b)(ii) of the Municipal Finance Management Act, occurs;
 - (b) if the National Treasury anticipates that a province or municipality shall substantially underspend on the allocation, or any programme, partially or fully funded by the allocation, in the 2021/22 financial year; or
 - (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.
- (2) The National Treasury must, before stopping an allocation in terms of subsection (1)(a)(i) or (b)—
- (a) comply with the procedures in section 17(4)(a); and
 - (b) inform the relevant provincial treasury of its intention to stop the allocation.
- (3) The National Treasury must, before stopping an allocation in terms of subsection (1)(a)(ii), comply with the applicable provisions of section 38 of the Municipal Finance Management Act.
- (4) 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.
- (5) (a) If—
- (i) an allocation, or any portion thereof, is stopped in terms of subsection (1)(a) or (b); and
 - (ii) the relevant transferring officer certifies, in writing, to the National Treasury that the payment of an amount in terms of a statutory or contractual obligation is overdue and the allocation, or a portion thereof, was intended for payment of the amount,

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

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

Reallocation of funds

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19. (1) When a Schedule 4 or 5 allocation, or a portion thereof, is stopped in terms of section 18(1)(a) or (b), the National Treasury may, after consultation with the transferring officer and the relevant provincial treasury, determine the portion of the allocation to be reallocated, as the same type of allocation as it was allocated originally, to one or more provinces or municipalities, on condition that the allocation must be spent by the end of the 2021/22 financial year. 10

(2) (a) When a Schedule 4 or 5 allocation, or a portion thereof, is stopped in terms of section 18(1)(c), the National Treasury must, after consultation with the transferring officer and the relevant provincial treasury, determine the portion of the allocation to be reallocated, as the same type of allocation as it was allocated originally, to the affected municipalities, on condition that the allocation must be spent by the end of the 2021/22 financial year. 15

(b) The portion of the allocation reallocated in terms of paragraph (a) is, with effect from the date of the notice in the *Gazette* in terms of subsection (4)(a), regarded as having been converted to an allocation in Part B of the same Schedule it appears before the reallocation. 20

(3) (a) If the transferring officer of a Schedule 6 allocation indicates, in writing, to the National Treasury that a portion of the allocation is likely to be underspent, or needs to be reprioritised to meet a priority, the National Treasury may, at the request of the transferring officer, determine that the portion be reallocated, as the same type of allocation as it was allocated originally, to a provincial department of another province or to another municipality. 25

(b) Before requesting a reallocation, the transferring officer must notify the affected provincial department or municipality of the proposed reallocation and give the provincial department or municipality at least 14 days to provide comments and propose changes. 30

(c) When making a request in terms of paragraph (a), the transferring officer must submit to the National Treasury comments and proposed changes provided by the affected provincial department or municipality in terms of paragraph (b).

(d) The reallocated portion must, as far as possible, be spent by the end of the 2021/22 financial year. 35

(e) The reallocated portion is regarded as having been converted to an allocation to the relevant provincial department or municipality with effect from the date of the notice in the *Gazette* in terms of subsection (4)(a).

(4) (a) The National Treasury must— 40

(i) give notice in the *Gazette* of a reallocation in terms of subsection (1), (2) or (3); and

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

(b) The reallocation of a portion of an allocation not spent by the end of the 2020/21 financial year is eligible for a roll-over in terms of section 21(2). 45

(5) (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— 50

(i) section 100 of the Constitution, the transferring officer to spend an allocation stopped in terms of section 18 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 18 on behalf of the relevant municipality; or 55

(iii) section 150 of the Municipal Finance Management Act, the relevant transferring officer to spend an allocation stopped in terms of section 18 on behalf of the relevant municipality.

(b) An allocation that is spent by the transferring 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. 60

(6) (a) On a joint request by the transferring officer and the National Disaster Management Centre, established by section 8 of the Disaster Management Act, 2002 (Act No. 57 of 2002), the National Treasury may approve that a conditional allocation in Schedule 4, 5 or 6, or a portion thereof, be reallocated to pay for the alleviation of the impact of a classified disaster or the reconstruction or rehabilitation of infrastructure damage caused by a classified disaster. 5

(b) Before the National Treasury approves a reallocation, the receiving officer of the conditional allocation in Schedule 4 or 5 or the transferring officer of a Schedule 6 allocation must confirm that the affected funds are not committed in terms of any statutory or contractual obligation. 10

(c) The reallocated funds must be used in the 2021/22 financial year in the same sphere that the allocation was originally made and for the same functional area that the original allocation relates to.

(d) The transferring officer must, after consultation with the National Disaster Management Centre and with the approval of the National Treasury, determine the conditions for spending the reallocated funds. 15

(e) Subsection (4) applies, with the necessary changes, to a reallocation in terms of this subsection to another province or municipality.

Conversion of allocations

20. (1) If satisfied that the relevant provincial department or municipality has demonstrated the capacity to implement projects, the National Treasury may, at the request of the transferring officer and after consultation with the receiving officer, convert any portion of— 20

(a) an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5; 25

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

(c) the National Health Insurance Indirect Grant listed in Part A of Schedule 6 to the Health Facility Revitalisation Grant, HIV, TB, Malaria and Community Outreach Grant, Human Resources and Training Grant or the National Health Insurance Grant listed in Part A of Schedule 5. 30

(2) The National Treasury may, after consultation with the relevant transferring officer, receiving officer and provincial treasury, convert any portion of an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6, if it is satisfied that—

(a) the conversion shall prevent under-expenditure or improve the level of service delivery in respect of the allocation in question; 35

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

(c) the transferring officer has made a demonstrable effort to strengthen the capacity of the receiving officer to implement the allocation, but the receiving officer is still not capable of meeting all the requirements of the allocation; and 40

(d) there is a history of poor performance in the previous two financial years for the relevant allocation to the receiving officer, including withholding and stopping of allocations.

(3) If satisfied that a municipality has failed to follow the applicable procurement prescripts prescribed in terms of the Municipal Finance Management Act, the National Treasury may, at the request of the transferring officer or in its discretion, after consultation with the relevant transferring officer and receiving officer, convert any portion of an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6. 50

(4) (a) Any portion of an allocation, except the School Infrastructure Backlogs Grant, converted in terms of subsections (1), (2) or (3) must—

(i) be used for the same province or municipality to which the allocation was originally made; and

(ii) if— 55

(aa) possible, be used to implement the same project or projects that were planned if the allocation had not been converted; or

(bb) not possible, the receiving officer must sign an agreement that defines any new project to be funded, before it is implemented.

(b) The School Infrastructure Backlogs Grant must be used— 60

(i) for the same province to which the allocation was originally made; and

- (ii) to implement the same project or projects that were planned if the allocation had not been converted.
- (5) The National Treasury must—
- (a) give notice in the *Gazette* of a conversion in terms of subsection (1), (2) or (3); and
 - (b) provide a copy of the notice to the transferring officer and each affected receiving officer.
- (6) A conversion in terms of subsection (1), (2) or (3) takes effect on the date of publication of the notice in terms of subsection (5)(a).
- (7) If an allocation listed in Schedule 7 is insufficient for a classified disaster or housing emergency referred to in section 25(3)(a), the National Treasury may, after consultation with, or on the request of, the relevant transferring officer, convert any portion of—
- (a) the Provincial Disaster Relief Grant listed in Part A of Schedule 7 to the Municipal Disaster Relief Grant listed in Part B of Schedule 7;
 - (b) the Municipal Disaster Relief Grant listed in Part B of Schedule 7 to the Provincial Disaster Relief Grant listed in Part A of Schedule 7;
 - (c) the Provincial Emergency Housing Grant listed in Part A of Schedule 7 to the Municipal Emergency Housing Grant listed in Part B of Schedule 7; or
 - (d) the Municipal Emergency Housing Grant listed in Part B of Schedule 7 to the Provincial Emergency Housing Grant listed in Part A of Schedule 7.
- (8) The National Treasury must—
- (a) in the notice published in terms of section 25(3)(c), include notification of the conversion in terms of subsection (7) and the effective date referred to in subsection (9); and
 - (b) provide a copy of the notice to the transferring officer.
- (9) A conversion in terms of subsection (7) takes effect on the date that the National Treasury approves it.

Unspent conditional allocations

- 21.** (1) Despite a provision 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 2021/22 financial year reverts to the National Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2).
- (2) The National Treasury may, at the request of a transferring officer, receiving officer or provincial treasury, approve a roll-over of a conditional allocation to the 2021/22 financial year if the unspent funds are committed to identifiable projects.
- (3) (a) The receiving officer must ensure that any funds that must revert to the National Revenue Fund in terms of subsection (1), are paid into that Fund by the date determined by the National Treasury.
- (b) The receiving officer must—
- (i) in the case of a provincial department, request the roll-over of unspent funds through its provincial treasury; and
 - (ii) inform the transferring officer of all processes regarding the request.
- (4) (a) The National Treasury may, subject to paragraphs (b) and (c), offset any funds that must revert to the National Revenue Fund in terms of subsection (1), but not paid into that Fund by the date determined in terms of subsection (3)(a)—
- (i) in respect of a province, against future transfers of conditional allocations to that province; or
 - (ii) in respect of a municipality, against future transfers of the equitable share or conditional allocations to that municipality.
- (b) Before any funds are offset in terms of paragraph (a), the National Treasury must give the relevant transferring officer, province or municipality—
- (i) notice of the intention to offset amounts against future allocations, the intended amount to be offset against allocations, the intended date for the offsetting and the reasons for the offsetting; and
 - (ii) an opportunity, within 14 days of receipt of the notice, to—
 - (aa) propose an alternative date for offsetting;
 - (bb) make written submissions why the full or a part of the amount should not be offset; or

- (cc) propose an alternative date or dates by which the amount, or portions thereof, must be paid into the National Revenue Fund.
- (c) The National Treasury must—
- (i) accept the date or dates proposed in terms of paragraph (b)(ii)(aa) or (cc) or determine a different date or dates; or 5
 - (ii) accept or reject the submissions made in terms of paragraph (b)(ii)(bb).
- (5) (a) The National Treasury may amend the amount of the equitable share or a conditional allocation offset in terms of subsection (4).
- (b) If the amendment envisaged in paragraph (a) results in an underpayment to a municipality— 10
- (i) in respect of the equitable share of the municipality, the department responsible for local government must, despite section 5(3), transfer the difference to the municipality within 10 days; or
 - (ii) in respect of a conditional allocation of the municipality, the transferring officer must, despite the payment schedule envisaged in section 22(3), transfer the difference to the municipality within 10 days. 15
- (c) If the amendment in terms of paragraph (a) results in an overpayment to a municipality, section 24 applies.

CHAPTER 4

MATTERS RELATING TO ALL ALLOCATIONS 20

Payment requirements

- 22.** (1) (a) The National Treasury must, after consultation with the provincial treasury, determine the payment schedule for the transfer of a province's equitable share allocation.
- (b) In determining the payment schedule, the National Treasury must take into account the monthly expenditure commitments of provinces and seek to minimise risk and debt servicing costs for national and provincial government. 25
- (c) Despite paragraph (a), the National Treasury may advance funds to a province in respect of its equitable share, or a portion thereof, which has not yet fallen due for transfer in terms of the payment schedule— 30
- (i) for cash management purposes relating to the corporation for public deposits account or when an intervention in terms of section 100 of the Constitution takes place; and
 - (ii) on such conditions as it may determine.
- (d) Any advance in terms of paragraph (c) must be offset against transfers to the province, which would otherwise become due in terms of the payment schedule. 35
- (2) (a) The National Treasury must, after consultation with the national department responsible for local government, determine the amount of a municipality's equitable share allocation to be transferred on each date referred to in section 5(3).
- (b) If an amount less than the amount approved in terms of paragraph (a) is paid to a municipality, the difference must, despite section 5(3), be paid within 10 days after it comes to the attention of the national department responsible for local government. 40
- (c) Despite paragraph (a), the National Treasury may approve a request or direct that the equitable share, or a portion thereof, which has not yet fallen due for transfer in terms of section 5(3), be advanced to a municipality— 45
- (i) after consultation with 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 50
 - (iii) on such conditions as the National Treasury may determine.
- (d) Any advance in terms of paragraph (c) must be offset against transfers to the municipality, which would otherwise become due in terms of section 5(3).
- (3) (a) Subject to section 27(1), the National Treasury must, within 14 days after this Act takes effect, approve the payment schedule for the transfer of an allocation listed in Schedule 4 or 5 to a province or municipality. 55
- (b) The transferring officer of a Schedule 4 or 5 allocation must submit a payment schedule to the National Treasury for approval before the first transfer is made.

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

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

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

(6) Each transfer of an equitable share or a conditional allocation to a municipality in terms of this Act must be made through a payment system provided by the National Treasury. 10

Amendment of payment schedule

23. (1) (a) Subject to subsection (2), a transferring officer of a Schedule 4 or 5 allocation must, within seven days of the withholding or stopping of an allocation in terms of section 17 or 18, submit an amended payment schedule to the National Treasury for approval. 15

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

(2) For purposes of better management of debt and cash-flow or addressing financial mismanagement or financial misconduct or slow or accelerated expenditure, the National Treasury may amend any payment schedule for an allocation listed in Schedule 2, 4 or 5, after notifying, in the case of— 20

- (a) an allocation to a province, its provincial treasury;
- (b) an allocation to a municipality, the national department responsible for local government; and 25
- (c) a Schedule 4 or 5 allocation, the relevant transferring officer.

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

- (a) the monthly expenditure commitments of provinces or municipalities;
- (b) the revenue at the disposal of provinces or municipalities; and 30
- (c) the minimisation of risk and debt servicing costs for all three spheres of government.

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

Transfers made in error or fraudulently 35

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

(2) The responsible transferring officer must, without delay, recover an overpayment referred to in subsection (1), unless an instruction has been issued in terms of subsection (3). 40

(3) The National Treasury may instruct that the recovery referred to in subsection (2) be effected by setoff against future transfers to the affected province, municipality or public entity in terms of a payment schedule. 45

New allocations during financial year and Schedule 7 allocations

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

- (a) amend any allocation or framework published in terms of section 15; 50
- (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 15(2) to (5) applies, with the necessary changes, to allocations and frameworks published in terms of subsection (1). 55

(3) (a) The transferring officer may, with the approval of the National Treasury, make one or more transfers of a Schedule 7 allocation to a province or municipality for—

- (i) a classified disaster; or
- (ii) a housing emergency within 100 days after the date of the declaration of a housing emergency. 5

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

(c) The National Treasury must, within 21 days after the end of the 100-day period envisaged in paragraph (a), by notice in the *Gazette*, publish all transfers of a Schedule 7 allocation made for a classified disaster. 10

(d) Despite any other legislation to the contrary, the National Treasury may approve that funds allocated in Schedule 7 be used at any time.

(e) The funds approved in terms of paragraph (d) must be included either in the provincial adjustments appropriation legislation, municipal adjustments budgets or 15 other appropriation legislation.

Preparations for 2022/23 financial year and 2023/24 financial year

26. (1) (a) A category C municipality that receives a conditional allocation in terms of this Act must, using the indicative conditional allocations to that municipality for the 2022/23 financial year and the 2023/24 financial year as set out in Column B of the 20 Schedules to this Act, by 1 October 2021—

- (i) agree on the provisional allocations and the projects to be funded from those allocations in the 2022/23 financial year and the 2023/24 financial year with each category B municipality within the category C municipality's area of jurisdiction; and 25
- (ii) submit to the transferring officer—
 - (aa) the provisional allocations referred to in subparagraph (i); and
 - (bb) the projects referred to in subparagraph (i), listed per municipality.

(b) If a category C municipality and a category B municipality cannot agree on the allocations and projects referred to in paragraph (a), the category C municipality must request the relevant transferring officer to facilitate agreement. 30

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

(d) Any proposed amendment or adjustment of the allocations that is intended to be published in terms of section 29(3)(b) must be agreed with the relevant category B municipality, the transferring officer and the National Treasury, before publication and the submission of the allocations referred to in paragraph (a)(ii). 35

(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 1 October 2021, the National Treasury, after consultation with the relevant provincial treasury, must determine the provisional allocations and provide those provisional allocations to the affected municipalities and the transferring officer. 40

(f) (i) The transferring officer must submit the final allocations, based on the provisional allocations referred to in paragraphs (a)(i) and (ii) and (e), to the National Treasury by 30 November 2021. 45

(ii) If the transferring officer fails to submit the allocations referred to in subparagraph (i) by 30 November 2021, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the 2022/23 financial year. 50

(2) (a) The transferring officer of a conditional allocation, using the indicative conditional allocations for the 2022/23 financial year and the 2023/24 financial year, as set out in Column B of the affected Schedules to this Act, must, by 1 October 2021, submit to the National Treasury—

- (i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the 2022/23 financial year; 55
- (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;
- (iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii); 60 and

- (iv) electronic copies of any guidelines, business plan templates and other documents referred to in the draft frameworks referred to in subparagraph (iii).
- (b) A transferring officer must consult the accounting officer of a national or provincial department, other than the transferring or receiving officer, on a duty in the draft framework, before submission to the National Treasury in terms of paragraph (a). 5
- (c) When a document, referred to in a draft framework, that is submitted in terms of paragraph (a)(iii), is amended, the transferring officer must immediately provide the National Treasury and each receiving officer with electronic copies of the revised document.
- (d) The National Treasury must approve any proposed amendment or adjustment for the 2022/23 financial year of the allocation criteria of an existing conditional allocation before the submission of the provisional allocations and draft frameworks. 10
- (e) The transferring officer must, under his or her signature, submit to the National Treasury, by 2 December 2021, the final allocations and frameworks based on the provisional allocations and frameworks. 15
- (f) If the transferring officer fails to comply with paragraph (a) or (e), the National Treasury may determine the appropriate draft or final allocations and frameworks, taking into consideration the indicative allocations for the 2022/23 financial year.
- (g) (i) The National Treasury may amend final allocations and frameworks in order to ensure equitable and stable allocations and fair and consistent conditions. 20
- (ii) The National Treasury must give notice, in writing, to the transferring officer of the intention to amend allocations and frameworks and invite the transferring officer to submit written comments within seven days after the date of the notification.
- (h) The draft and final allocations and frameworks must be submitted in the format determined by the National Treasury. 25
- (3) The National Treasury may instruct transferring officers, accounting officers of the provincial treasuries and receiving officers to submit to it such plans and information for any conditional allocation, as it may determine, at specified dates before the start of the 2022/23 financial year.
- (4) (a) For purposes of the Education Infrastructure Grant or Health Facility Revitalisation Grant in the 2022/23 financial year, the receiving officer of the relevant provincial department must, in the format and on the date determined by the National Treasury, submit to the transferring officer, the relevant provincial treasury and the National Treasury— 30
- (i) a user asset management plan for all infrastructure programmes for a period of at least 10 years; 35
- (ii) an infrastructure programme management plan, including a construction procurement strategy for infrastructure programmes and projects envisaged to commence within the period for the medium term expenditure framework; and
- (iii) a document that outlines how the infrastructure delivery management system must be implemented in the province and is approved by the Executive Council of the province before or after the commencement of this Act. 40
- (b) The receiving officer of the relevant provincial department must review the document, referred to in paragraph (a)(iii), and if any substantive change is made to the document during the 2021/22 financial year, the amended document must be approved by the Executive Council of the province before submission to the National Treasury within 14 days after such approval. 45
- (5) (a) Any category B municipality may apply to qualify for the Integrated Urban Development Grant, by submitting an application to the Department of Cooperative Governance by 30 July 2021. 50
- (b) The Department of Cooperative Governance must determine the form of the application, including the minimum qualifying conditions.
- (c) The Department of Cooperative Governance must submit, by 1 October 2021, to the National Treasury for comment, a list of any proposed additional qualifying municipalities and any municipalities that have failed to meet the qualifying conditions to continue to qualify for approval. 55
- (d) A municipality that is informed by the Department of Cooperative Governance that it will qualify for the Integrated Urban Development Grant, must submit to the National Treasury and Department of Cooperative Governance—
- (i) by 31 March 2022, a first draft of its three-year capital programme and the 10-year Capital Expenditure Framework to the Department of Cooperative Governance; and 60

- (ii) by 31 May 2022, the final versions of its three-year capital programme and the 10-year Capital Expenditure Framework, which must be evaluated by the Department of Cooperative Governance after consultation with relevant stakeholders.

Transfers before commencement of Division of Revenue Act for 2022/23 financial year 5

27. (1) Despite the Division of Revenue Act for the 2022/23 financial year not having commenced on 1 April 2022, the National Treasury may determine that an amount, not exceeding 45 per cent of the total amount of each—
- (a) equitable share in terms of section 4(1), be transferred to the relevant province; 10
 - (b) equitable share in terms of section 5(1), be transferred to the relevant municipality; 10
 - (c) allocation made in terms of section 7(1) or 8(1), as the case may be, be transferred to the relevant province or municipality. 15
- (2) An amount is transferred in terms of subsection (1)(c) is, with the necessary changes, subject to the applicable framework for the 2021/22 financial year and the other requirements of this Act, as if it is an amount of an allocation for the 2021/22 financial year.

CHAPTER 5 20

DUTIES AND POWERS OF MUNICIPALITIES, PROVINCIAL TREASURIES AND NATIONAL TREASURY

Duties of municipalities

28. (1) (a) In addition to the requirements of the Municipal Finance Management Act, the accounting officer of a category C municipality must, within 10 days after this Act takes effect, submit to the National Treasury, the relevant provincial 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 2021/22 financial year, the 2022/23 financial year and the 2023/24 financial year, except if submitted in terms of any other legislation before the end of the 10-day period. 25 30
- (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. 35
- (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 must be implemented, and agree, in writing, which municipality is responsible for the operational and maintenance costs and the collection of user fees. 40
- (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— 40
- (a) the category C municipality retains the function in terms of the Municipal Structures Act; and 45
 - (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. 45
- (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— 50
- (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 50
 - (b) obtaining authorisation to perform the function in terms of the Municipal Structures Act. 55
- (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 the payment schedule to the National Treasury before the commencement of the financial year.

(b) A category C municipality must make transfers in accordance with the payment schedule submitted in terms of paragraph (a). 5

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

- (i) make allocations referred to in subsection (1)(b);
- (ii) reach an agreement envisaged in subsection (2); or 10
- (iii) submit a payment schedule in accordance with subsection (5)(a).

(b) The following provisions apply to the withholding or stopping of an allocation in accordance with paragraph (a):

- (i) Section 216 of the Constitution;
- (ii) in the case of withholding an allocation, section 18(4)(a), with the necessary changes; and 15
- (iii) in the case of stopping an allocation, section 19(2)(a), (3), (4) and (5) with the necessary changes.

(c) If an allocation is stopped in terms of this subsection, the National Treasury may, after consultation with the transferring officer, determine that a portion of the allocation that will not be spent, be reallocated to one or more municipalities, on condition that the allocation must be spent by the end of the 2021/22 financial year or the 2022/23 financial year. 20

(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. 25

Duties and powers of provincial treasuries

29. (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. 30

(2) (a) A provincial treasury must, on the same day that its budget is tabled in the provincial legislature or a later date approved by the National Treasury, publish by notice in the *Gazette*—

- (i) the indicative allocation per municipality for every allocation to be made by the province to municipalities from the province's own funds and from conditional allocations to the province; 35
- (ii) the indicative allocation to be made per school and per hospital in the province in the format determined by the National Treasury;
- (iii) the indicative allocation to any national or provincial public entity for the implementation of a programme funded by an allocation in Part A of Schedule 5 on behalf of a province or for assistance provided to the province in implementing the programme; 40
- (iv) the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the 2022/23 financial year and the 2023/24 financial year; and 45
- (v) the conditions and other information in respect of the allocations, referred to in subparagraphs (i), (ii) and (iii), to facilitate performance measurement and the use of required inputs and outputs.

(b) The allocations referred to in paragraph (a) must be regarded as final when the provincial appropriation Act takes effect. 50

(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. 55

(d) Allocations to municipalities in terms of subsection (2)(a) must be consistent with the terms of any agreement concluded between the province and a municipality.

(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). 60

(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 4 February 2022 and takes effect on the date of publication.

(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— 5

(a) actual transfers received by the province from national departments and actual expenditure on such transfers, excluding Schedule 4 allocations, up to the end of that month; and

(b) actual transfers made by the province to municipalities and public entities and actual expenditure by municipalities and public entities on such transfers, based on the latest information available from municipalities and public entities at the time of reporting. 10

(5) (a) A provincial treasury must—

(i) ensure that a payment schedule, or any amendment thereof, is agreed between each provincial department and receiving institution envisaged in subsection (2)(a); 15

(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 and any amended payment schedule, agreed to, within 14 days of it being agreed to. 20

(b) If a provincial department and receiving institution do not agree to a payment schedule in time for submission to the National Treasury, the provincial treasury must, after consultation with the transferring officer, determine the payment schedule. 25

(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. 30

(8) On receipt of a request in terms of subsection (7), the National Treasury must—

(a) consult the transferring officer on the matter; 35

(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 40

(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

30. (1) The National Treasury must, within 14 days after this Act takes effect, submit a notice to all transferring officers containing the details of the primary bank accounts of each province and municipality. 45

(2) The National Treasury must, together with the statement envisaged in section 32(2) of the Public Finance Management Act, publish a report on actual transfers of all allocations listed in Schedules 4, 5, 6 and 7 or made in terms of section 25.

(3) The National Treasury may include in a report on the equitable share and conditional allocations in terms of this Act, any report it publishes— 50

(a) that aggregates statements published by provincial treasuries envisaged in section 71(7) of the Municipal Finance Management Act; and

(b) in respect of municipal finances.

CHAPTER 6

GENERAL

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

31. (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 comply with section 41 of the Constitution and Chapter 4 of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005). 5

(2) If a dispute is referred back by a court in terms of section 41(4) of the Constitution, due to the court not being satisfied that the organ of state approaching the court has complied with section 41(3) of the Constitution, the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful. 10

(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 every person who caused the organ of state not to comply with section 41(3) of the Constitution. 15

Irregular expenditure

32. Expenditure of an allocation in Part B of Schedule 4 or Part B of Schedule 5 contrary to this Act is irregular expenditure in terms of the Municipal Finance Management Act, except if it is unauthorised expenditure in terms of the Municipal Finance Management Act. 20

Financial misconduct

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

(2) Section 84 of the Public Finance Management Act or section 171 of the Municipal Finance Management Act, as the case may be, applies in respect of financial misconduct envisaged in subsection (1). 25

Delegations and assignments

34. (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. 30

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

- (a) is subject to any limitations or conditions that the Minister may impose;
- (b) may authorise that official to sub-delegate, in writing, the delegated power or assigned duty, to any other official of the National Treasury; and 35
- (c) does not divest the National Treasury of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty.

(3) The Minister may vary or revoke any decision taken by an official as a result of a delegation or assignment, subject to any rights that may have vested as a consequence of the decision. 40

(4) 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.

(5) (a) A transferring officer may, in writing, delegate any power entrusted to, and assign any duty imposed on, the transferring officer in terms of this Act, to an official in his or her department. 45

(b) A copy of the written delegation must be submitted to the National Treasury.

(6) Subsections (2) and (3) apply, with the necessary changes, to a delegation or assignment in terms of subsection (4) or (5). 50

Departures

- 35.** (1) The Minister may, if good grounds exist, approve a departure from a provision of a framework, a regulation made under section 36 or a condition imposed in terms of this Act.
- (2) For purposes of subsection (1), good grounds include the fact that the provision of the framework, regulation or condition—
- (a) cannot be implemented in practice;
 - (b) impedes the achievement of any object of this Act;
 - (c) impedes an immediate response to a classified disaster; or
 - (d) 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

- 36.** 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 is necessary to prescribe for the proper implementation or administration of this Act.

Transitional measures for municipal election in 2021

- 37.** (1) (a) A releasing municipality must continue to spend its allocations for the 2021/22 financial year made in terms of this Act, in that particular area or municipality, as if that area was not transferred to a receiving municipality, unless the affected municipalities have entered into an agreement that ensures that the transferred area or municipality is not negatively affected.
- (b) The transferring officer of an allocation made in terms of this Act and the receiving municipality must monitor that the releasing municipality complies with paragraph (a).
- (c) The releasing municipality must, at the request of the transferring officer, the receiving municipality or the National Treasury, demonstrate compliance with paragraph (a).
- (2) (a) Sections 17 and 18 apply, with the necessary changes, where a releasing municipality fails to comply with subsection (1)(a) or (c) in respect of a Schedule 4, 5, 6 or 7 allocation.
- (b) The National Treasury may, where it withholds or stops an allocation in terms of paragraph (a), after consultation with the transferring officer, determine that a portion of the allocation be reallocated to the receiving municipality.
- (3) The National Treasury may, where a releasing municipality fails to comply with subsection (1)(a) or (c), reallocate a portion of the releasing municipality's equitable share allocation, referred to in section 5, to the receiving municipality.
- (4) (a) The allocations referred to in sections 5(2) and 8(2) are subject to adjustments required following a redetermination in terms of section 21(1)(b) of the Municipal Demarcation Act.
- (b) The transferring officer of a Schedule 4, 5, 6 or 7 allocation must, by 1 October 2021, inform the National Treasury of any adjustments to the allocations, referred to in section 8(2) that must be reflected in the Division of Revenue Act for the 2022/23 financial year.

Repeal of laws and savings

- 38.** (1) Subject to subsection (2)—
- (a) the Division of Revenue Act, 2020 (Act No. 4 of 2020), except sections 16 and 26, is hereby repealed;
 - (b) sections 16 and 26 of the Division of Revenue Act, 2020, are hereby repealed with effect from 1 July 2021 or the date that this Act takes effect, whichever is the later date;
 - (c) the Division of Revenue Amendment Act, 2020 (Act No. 10 of 2020), is hereby repealed; and

- (d) the Division of Revenue Second Amendment Act, 2020 (Act No. 20 of 2020), is hereby repealed.
- (2) Any repeal referred to in subsection (1) does not affect—
- (a) any duty to be performed in terms of any provision of an Act, referred to in subsection (1), after the end of the 2021/22 financial year; and 5
- (b) any obligation in terms of any provision of an Act, referred to in subsection (1), the execution of which is outstanding.
- (3) Any framework published in terms of section 16 of the Division of Revenue Act, 2020, as amended in terms of section 16 or 26 of that Act, applies to funds of a conditional allocation approved for roll-over in terms of section 22(2) of that Act, if that 10 conditional allocation does not continue to exist in terms of this Act.

Short title and commencement

39. This Act is called the Division of Revenue Act, 2021, and takes effect on 1 April 2021 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	
	2021/22	Forward Estimates	
		2022/23	2023/24
	R'000	R'000	R'000
National ^{1,2}	1 232 566 664	1 263 660 751	1 302 172 028
Provincial	523 686 351	524 088 024	525 303 747
Local	77 999 135	83 084 515	83 569 989
TOTAL	1 834 252 150	1 870 833 290	1 911 045 764

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

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

SCHEDULE 2**DETERMINATION OF EACH PROVINCE'S EQUITABLE SHARE OF THE PROVINCIAL SPHERE'S SHARE OF REVENUE RAISED NATIONALLY (as a direct charge against the National Revenue Fund)**

Province	Column A	Column B	
	2021/22	Forward Estimates	
		2022/23	2023/24
	R'000	R'000	R'000
Eastern Cape	68 060 484	67 428 383	66 899 001
Free State	29 054 563	29 007 607	29 005 461
Gauteng	111 429 473	112 560 937	113 870 485
KwaZulu-Natal	107 126 399	106 927 994	106 895 005
Limpopo	60 027 513	59 620 951	59 305 666
Mpumalanga	42 828 079	42 798 478	42 835 146
Northern Cape	13 919 027	13 928 312	13 959 078
North West	36 792 613	36 939 259	37 143 584
Western Cape	54 448 200	54 876 103	55 390 321
TOTAL	523 686 351	524 088 024	525 303 747

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	
		2021/22	Forward Estimates	
		2022/23	2023/24	
		R'000	R'000	R'000
EASTERN CAPE				
A	BUF Buffalo City	936 811	989 074	983 479
A	NMA Nelson Mandela Bay	1 143 807	1 217 203	1 223 200
B	EC101 Dr Beyers Naude	99 316	103 983	102 434
B	EC102 Blue Crane Route	58 178	60 645	59 496
B	EC104 Makana	103 061	108 396	107 289
B	EC105 Ndlambe	107 582	113 618	112 792
B	EC106 Sundays River Valley	90 418	96 445	96 817
B	EC108 Kouga	143 774	154 809	157 207
B	EC109 Kou-Kamma	54 362	57 145	56 633
C	DC10 Sarah Baartman District Municipality	100 709	104 065	105 653
Total: Sarah Baartman Municipalities		757 400	799 106	798 321
B	EC121 Mbashe	271 935	282 516	272 673
B	EC122 Mnquma	282 161	293 080	282 763
B	EC123 Great Kei	46 595	48 464	47 298
B	EC124 Amahlathi	115 504	120 048	116 230
B	EC126 Ngqushwa	90 290	93 872	91 052
B	EC129 Raymond Mhlaba	189 927	197 337	190 591
C	DC12 Amathole District Municipality	939 262	994 975	1 019 148
Total: Amathole Municipalities		1 935 674	2 030 292	2 019 755
B	EC131 Inxuba Yethemba	46 699	48 673	47 770
B	EC135 Intsika Yethu	173 443	180 243	174 227
B	EC136 Emalahleni	135 035	140 356	135 805
B	EC137 Engcobo	161 714	168 054	162 528
B	EC138 Sakhisizwe	74 331	77 258	75 015
B	EC139 Enoch Mgijima	196 899	205 164	198 535
C	DC13 Chris Hani District Municipality	600 621	632 403	633 361
Total: Chris Hani Municipalities		1 388 742	1 452 151	1 427 241
B	EC141 Elundini	166 231	172 782	167 192
B	EC142 Senqu	163 362	169 699	164 060
B	EC145 Walter Sisulu	64 368	67 623	66 811
C	DC14 Joe Gqabi District Municipality	302 992	319 392	320 072
Total: Joe Gqabi Municipalities		696 953	729 496	718 135
B	EC153 Ngquza Hill	283 556	296 237	287 542
B	EC154 Port St Johns	168 140	175 438	170 354
B	EC155 Nyandeni	286 893	298 811	289 218
B	EC156 Mhlontlo	200 960	208 850	201 748
B	EC157 King Sabata Dalindyebo	365 575	383 697	374 179
C	DC15 O.R. Tambo District Municipality	950 456	1 004 726	1 008 071
Total: O.R. Tambo Municipalities		2 255 580	2 367 759	2 331 112
B	EC441 Matatiele	258 826	270 472	262 787
B	EC442 Umzimvubu	238 026	247 612	239 427
B	EC443 Mbizana	289 620	304 052	296 623
B	EC444 Ntabankulu	133 703	138 980	134 533
C	DC44 Alfred Nzo District Municipality	618 487	653 836	655 844
Total: Alfred Nzo Municipalities		1 538 662	1 614 952	1 589 214
Total: Eastern Cape Municipalities		10 653 629	11 200 033	11 090 457

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	
		2021/22	Forward Estimates	
			2022/23	2023/24
		R'000	R'000	
FREE STATE				
A	MAN Mangaung	830 046	886 647	894 449
B	FS161 Letsemeng	70 307	73 986	73 294
B	FS162 Kopanong	93 005	97 287	95 720
B	FS163 Mohokare	76 781	81 272	80 887
C	DC16 Xhariep District Municipality	47 192	48 910	49 450
Total: Xhariep Municipalities		287 285	301 455	299 351
B	FS181 Masilonyana	133 179	140 949	139 848
B	FS182 Tokologo	59 970	62 890	62 094
B	FS183 Tswelopele	81 535	85 462	84 165
B	FS184 Matjhabeng	561 595	594 725	592 323
B	FS185 Nala	132 571	138 196	135 177
C	DC18 Lejweleputswa District Municipality	138 217	142 777	144 990
Total: Lejweleputswa Municipalities		1 107 067	1 164 999	1 158 597
B	FS191 Setsoto	212 318	223 221	220 141
B	FS192 Dihlabeng	186 348	198 883	199 343
B	FS193 Nketoana	108 738	115 190	114 635
B	FS194 Maluti-a-Phofung	668 457	705 606	695 378
B	FS195 Phumelela	83 614	88 072	87 204
B	FS196 Mantsopa	91 947	97 001	96 181
C	DC19 Thabo Mofutsanyana District Municipality	126 106	131 006	132 619
Total: Thabo Mofutsanyana Municipalities		1 477 528	1 558 979	1 545 501
B	FS201 Moqhaka	230 417	244 368	243 008
B	FS203 Ngwathe	215 960	228 640	226 559
B	FS204 Metsimaholo	214 398	232 924	238 149
B	FS205 Mafube	107 146	113 358	112 620
C	DC20 Fezile Dabi District Municipality	164 035	168 394	171 912
Total: Fezile Dabi Municipalities		931 956	987 684	992 248
Total: Free State Municipalities		4 633 882	4 899 764	4 890 146

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	
		2021/22	Forward Estimates	
		2022/23	2023/24	
		R'000	R'000	R'000
GAUTENG				
A	EKU City of Ekurhuleni	4 026 213	4 352 947	4 444 109
A	JHB City of Johannesburg	5 467 766	5 933 195	6 079 700
A	TSH City of Tshwane	3 088 576	3 355 458	3 442 390
B	GT421 Emfuleni	863 908	917 950	919 678
B	GT422 Midvaal	124 899	135 647	139 570
B	GT423 Lesedi	157 951	172 194	177 020
C	DC42 Sedibeng District Municipality	285 545	293 350	299 510
Total: Sedibeng Municipalities		1 432 303	1 519 141	1 535 778
B	GT481 Mogale City	471 790	509 779	520 151
B	GT484 Merafong City	229 859	244 925	246 009
B	GT485 Rand West City	346 639	371 750	375 715
C	DC48 West Rand District Municipality	222 589	229 646	234 445
Total: West Rand Municipalities		1 270 877	1 356 100	1 376 320
Total: Gauteng Municipalities		15 285 735	16 516 841	16 878 297

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	
				2021/22	Forward Estimates	
			2022/23	2023/24		
		R'000	R'000	R'000		
KWAZULU-NATAL						
A	ETH	eThekweni	3 580 447	3 833 502	3 876 627	
B	KZN212	uMdoni	147 611	155 462	152 557	
B	KZN213	uMzumbe	143 164	148 827	143 964	
B	KZN214	uMuziwabantu	100 390	104 851	102 159	
B	KZN216	Ray Nkonyeni	233 214	247 777	245 233	
C	DC21	Ugu District Municipality	524 364	559 208	568 161	
Total: Ugu Municipalities			1 148 743	1 216 125	1 212 074	
B	KZN221	uMshwathi	113 010	118 617	116 293	
B	KZN222	uMngeni	77 509	83 478	84 839	
B	KZN223	Mpofana	39 181	40 979	40 326	
B	KZN224	iMpendle	38 934	40 478	39 659	
B	KZN225	Msunduzi	616 262	657 866	661 903	
B	KZN226	Mkhambathini	70 470	74 392	73 459	
B	KZN227	Richmond	78 424	82 843	81 817	
C	DC22	uMgungundlovu District Municipality	608 552	652 169	677 625	
Total: uMgungundlovu Municipalities			1 642 342	1 750 822	1 775 921	
B	KZN235	Okhahlamba	137 472	143 542	139 567	
B	KZN237	iNkosi Langalibalele	197 401	207 765	203 543	
B	KZN238	Alfred Duma	258 163	271 016	264 406	
C	DC23	uThukela District Municipality	485 156	515 270	520 911	
Total: uThukela Municipalities			1 078 192	1 137 593	1 128 427	
B	KZN241	eNdumeni	53 751	57 554	57 965	
B	KZN242	Nquthu	151 247	157 985	153 575	
B	KZN244	uMsinga	182 530	191 875	187 774	
B	KZN245	uMvoti	145 819	155 173	154 045	
C	DC24	uMzinyathi District Municipality	402 121	430 067	437 345	
Total: uMzinyathi Municipalities			935 468	992 654	990 704	
B	KZN252	Newcastle	417 790	442 574	439 225	
B	KZN253	eMadlangeni	33 467	34 919	34 298	
B	KZN254	Dannhauser	100 522	104 700	101 640	
C	DC25	Amajuba District Municipality	184 017	195 615	202 111	
Total: Amajuba Municipalities			735 796	777 808	777 274	

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	
		2021/22	Forward Estimates	
			2022/23	2023/24
		R'000	R'000	
B	KZN261 eDumbe	82 382	86 186	84 207
B	KZN262 uPhongolo	153 601	162 325	159 777
B	KZN263 AbaQulusi	167 845	177 942	175 418
B	KZN265 Nongoma	170 818	178 708	173 773
B	KZN266 Ulundi	180 263	188 466	183 022
C	DC26 Zululand District Municipality	524 645	559 056	566 225
Total: Zululand Municipalities		1 279 554	1 352 683	1 342 422
B	KZN271 uMhlabuyalingana	188 289	199 673	197 072
B	KZN272 Jozini	203 877	214 817	210 496
B	KZN275 Mtubatuba	188 307	200 706	198 972
B	KZN276 Big Five Hlabisa	122 043	129 270	127 563
C	DC27 uMkhanyakude District Municipality	473 222	508 558	519 064
Total: uMkhanyakude Municipalities		1 175 738	1 253 024	1 253 167
B	KZN281 uMfolozi	147 696	156 205	153 734
B	KZN282 uMhlathuze	416 124	446 872	450 639
B	KZN284 uMlalazi	206 125	216 265	211 045
B	KZN285 Mthonjaneni	86 810	90 275	87 548
B	KZN286 Nkandla	105 809	109 972	106 449
C	DC28 King Cetshwayo District Municipality	590 849	630 609	653 293
Total: King Cetshwayo Municipalities		1 553 413	1 650 198	1 662 708
B	KZN291 Mandeni	191 149	203 436	201 664
B	KZN292 KwaDukuza	198 138	215 730	220 454
B	KZN293 Ndwedwe	165 366	174 125	170 623
B	KZN294 Maphumulo	98 940	102 814	99 633
C	DC29 iLembe District Municipality	600 260	648 716	668 071
Total: iLembe Municipalities		1 253 853	1 344 821	1 360 445
B	KZN433 Greater Kokstad	68 350	71 856	70 920
B	KZN434 uBuhlebezwe	121 143	126 371	122 823
B	KZN435 uMzimkhulu	210 352	220 826	215 654
B	KZN436 Dr Nkosazana Dlamini Zuma	139 476	146 163	142 669
C	DC43 Harry Gwala District Municipality	387 013	410 807	414 421
Total: Harry Gwala Municipalities		926 334	976 023	966 487
Total: KwaZulu-Natal Municipalities		15 309 880	16 285 253	16 346 256

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	
		2021/22	Forward Estimates	
			2022/23	2023/24
		R'000	R'000	
LIMPOPO				
B	LIM331 Greater Giyani	320 318	336 803	329 103
B	LIM332 Greater Letaba	310 748	326 998	319 868
B	LIM333 Greater Tzaneen	432 618	457 630	449 515
B	LIM334 Ba-Phalaborwa	171 127	181 556	179 505
B	LIM335 Maruleng	139 743	147 414	144 861
C	DC33 Mopani District Municipality	1 044 405	1 116 401	1 134 210
Total: Mopani Municipalities		2 418 959	2 566 802	2 557 062
B	LIM341 Musina	169 864	184 781	187 783
B	LIM343 Thulamela	495 781	522 861	512 871
B	LIM344 Makhado	401 747	424 210	415 796
B	LIM345 Collins Chabane	412 284	433 698	424 075
C	DC34 Vhembe District Municipality	1 134 436	1 215 488	1 234 343
Total: Vhembe Municipalities		2 614 112	2 781 038	2 774 868
B	LIM351 Blouberg	203 615	211 927	205 172
B	LIM353 Molemole	155 513	161 696	156 508
B	LIM354 Polokwane	1 055 884	1 132 746	1 140 635
B	LIM355 Lepele-Nkumpi	275 926	288 504	280 204
C	DC35 Capricorn District Municipality	666 269	707 221	724 515
Total: Capricorn Municipalities		2 357 207	2 502 094	2 507 034
B	LIM361 Thabazimbi	107 453	115 819	118 168
B	LIM362 Lephale	174 746	190 615	195 302
B	LIM366 Bela-Bela	104 441	112 200	113 412
B	LIM367 Mogalakwena	483 337	508 453	499 027
B	LIM368 Modimolle-Mookgophong	121 136	127 407	125 754
C	DC36 Waterberg District Municipality	140 217	145 116	147 932
Total: Waterberg Municipalities		1 131 330	1 199 610	1 199 595
B	LIM471 Ephraim Mogale	162 471	171 236	168 018
B	LIM472 Elias Motsoaledi	302 788	319 776	313 727
B	LIM473 Makhuduthamaga	296 332	310 249	301 818
B	LIM476 Fetakgomo Tubatse	478 597	511 160	505 625
C	DC47 Sekhukhune District Municipality	878 832	942 269	959 698
Total: Sekhukhune Municipalities		2 119 020	2 254 690	2 248 886
Total: Limpopo Municipalities		10 640 628	11 304 234	11 287 445

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	
				2021/22	Forward Estimates	
			2022/23	2023/24		
		R'000	R'000	R'000		
MPUMALANGA						
B	MP301	Chief Albert Luthuli	349 235	369 785	366 063	
B	MP302	Msukaligwa	199 442	215 400	218 732	
B	MP303	Mkhondo	269 849	289 222	290 571	
B	MP304	Dr Pixley ka Isaka Seme	132 763	140 014	138 485	
B	MP305	Lekwa	134 933	144 333	145 179	
B	MP306	Dipaleseng	82 053	87 619	87 916	
B	MP307	Govan Mbeki	331 028	359 071	367 809	
C	DC30	Gert Sibande District Municipality	309 408	317 445	324 318	
Total: Gert Sibande Municipalities			1 808 711	1 922 889	1 939 073	
B	MP311	Victor Khanye	111 897	120 836	122 814	
B	MP312	Emalahleni	426 204	466 309	481 788	
B	MP313	Steve Tshwete	242 978	268 974	281 177	
B	MP314	Emakhazeni	71 791	76 530	76 826	
B	MP315	Thembisile Hani	458 200	487 679	484 421	
B	MP316	Dr JS Moroka	419 133	439 995	431 072	
C	DC31	Nkangala District Municipality	378 547	388 869	397 403	
Total: Nkangala Municipalities			2 108 750	2 249 192	2 275 501	
B	MP321	Thaba Chweu	165 565	178 532	181 339	
B	MP324	Nkomazi	646 530	688 582	684 745	
B	MP325	Bushbuckridge	879 945	929 319	915 559	
B	MP326	City of Mbombela	834 510	897 735	907 067	
C	DC32	Ehlanzeni District Municipality	274 698	284 784	290 122	
Total: Ehlanzeni Municipalities			2 801 248	2 978 952	2 978 832	
Total: Mpumalanga Municipalities			6 718 709	7 151 033	7 193 406	

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	
				2021/22	Forward Estimates	
			2022/23	2023/24		
		R'000	R'000	R'000		
NORTHERN CAPE						
B	NC061	Richtersveld	19 237	20 447	20 604	
B	NC062	Nama Khoi	52 966	55 929	55 815	
B	NC064	Kamiesberg	25 023	26 186	25 967	
B	NC065	Hantam	27 160	28 547	28 416	
B	NC066	Karoo Hoogland	25 231	26 807	26 969	
B	NC067	Khâi-Ma	21 156	22 369	22 413	
C	DC6	Namakwa District Municipality	52 385	53 889	54 928	
Total: Namakwa Municipalities			223 158	234 174	235 112	
B	NC071	Ubuntu	38 741	40 990	40 928	
B	NC072	Umsobomvu	56 140	59 828	60 011	
B	NC073	Emthanjeni	49 935	52 773	52 625	
B	NC074	Kareeberg	27 308	28 894	28 937	
B	NC075	Renosterberg	27 568	29 102	29 089	
B	NC076	Thembelihle	28 135	29 607	29 473	
B	NC077	Siyathemba	36 942	39 145	39 147	
B	NC078	Siyancuma	54 012	56 308	55 278	
C	DC7	Pixley Ka Seme District Municipality	55 175	57 143	57 925	
Total: Pixley Ka Seme Municipalities			373 956	393 790	393 413	
B	NC082	!Kai !Garib	96 170	102 992	104 093	
B	NC084	!Kheis	27 602	28 777	28 402	
B	NC085	Tsantsabane	44 676	47 959	48 644	
B	NC086	Kgatelopele	25 503	27 291	27 631	
B	NC087	Dawid Kruiper	95 002	101 005	101 649	
C	DC8	Z.F. Mgcawu District Municipality	74 698	77 106	78 484	
Total: Z.F. Mgcawu Municipalities			363 651	385 130	388 903	
B	NC091	Sol Plaatjie	212 328	226 115	227 052	
B	NC092	Dikgatlong	95 491	101 165	100 582	
B	NC093	Magareng	51 086	53 573	52 899	
B	NC094	Phokwane	114 939	120 363	118 178	
C	DC9	Frances Baard District Municipality	128 076	131 501	134 100	
Total: Frances Baard Municipalities			601 920	632 717	632 811	
B	NC451	Joe Morolong	155 937	163 066	159 252	
B	NC452	Ga-Segonyana	185 019	199 148	200 702	
B	NC453	Gamagara	45 435	50 584	53 396	
C	DC45	John Taolo Gaetsewe District Municipality	95 976	99 054	100 044	
Total: John Taolo Gaetsewe Municipalities			482 367	511 852	513 394	
Total: Northern Cape Municipalities			2 045 052	2 157 663	2 163 633	

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	
				2021/22	Forward Estimates	
			2022/23	2023/24		
		R'000	R'000	R'000		
NORTH WEST						
B	NW371	Moretele	376 690	395 824	388 352	
B	NW372	Madibeng	818 913	890 928	909 930	
B	NW373	Rustenburg	808 419	889 452	924 096	
B	NW374	Kgetlengrivier	105 336	113 368	114 757	
B	NW375	Moses Kotane	476 855	502 337	494 426	
C	DC37	Bojanala Platinum District Municipality	366 729	380 119	389 685	
Total: Bojanala Platinum Municipalities			2 952 942	3 172 028	3 221 246	
B	NW381	Ratlou	138 974	145 502	141 936	
B	NW382	Tswaing	128 758	135 590	133 343	
B	NW383	Mafikeng	292 733	311 146	307 598	
B	NW384	Ditsobotla	143 161	151 821	150 178	
B	NW385	Ramotshere Moiloa	195 823	206 851	203 384	
C	DC38	Ngaka Modiri Molema District Municipality	873 573	935 613	958 701	
Total: Ngaka Modiri Molema Municipalities			1 773 022	1 886 523	1 895 140	
B	NW392	Naledi	58 600	61 789	61 228	
B	NW393	Mamusa	62 550	65 934	65 090	
B	NW394	Greater Taung	212 988	221 681	214 500	
B	NW396	Lekwa-Teemane	56 063	59 266	58 786	
B	NW397	Kagisano-Molopo	133 289	138 875	134 754	
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	404 182	428 366	432 576	
Total: Dr Ruth Segomotsi Mompati Municipalities			927 672	975 911	966 934	
B	NW403	City of Matlosana	484 096	515 794	517 385	
B	NW404	Maquassi Hills	143 541	151 871	150 771	
B	NW405	JB Marks	299 881	324 803	331 442	
C	DC40	Dr Kenneth Kaunda District Municipality	200 130	205 937	210 121	
Total: Dr Kenneth Kaunda Municipalities			1 127 648	1 198 405	1 209 719	
Total: North West Municipalities			6 781 284	7 232 867	7 293 039	

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	
		2021/22	Forward Estimates	
		2022/23	2023/24	
		R'000	R'000	R'000
WESTERN CAPE				
A	CPT City of Cape Town	3 215 174	3 454 804	3 505 487
B	WC011 Matzikama	62 693	66 367	66 518
B	WC012 Cederberg	55 044	58 439	58 609
B	WC013 Bergrivier	50 990	54 587	55 384
B	WC014 Saldanha Bay	101 876	110 087	112 721
B	WC015 Swartland	108 796	119 269	123 466
C	DC1 West Coast District Municipality	99 472	102 639	104 699
Total: West Coast Municipalities		478 871	511 388	521 397
B	WC022 Witzenberg	106 666	114 960	116 996
B	WC023 Drakenstein	171 259	183 640	185 945
B	WC024 Stellenbosch	157 136	169 730	173 121
B	WC025 Breede Valley	131 552	139 672	140 032
B	WC026 Langeberg	87 617	92 646	92 769
C	DC2 Cape Winelands District Municipality	245 208	251 220	256 691
Total: Cape Winelands Municipalities		899 438	951 868	965 554
B	WC031 Theewaterskloof	106 976	113 634	113 700
B	WC032 Overstrand	123 897	134 094	137 062
B	WC033 Cape Agulhas	33 290	35 287	35 444
B	WC034 Swellendam	35 471	37 775	38 114
C	DC3 Overberg District Municipality	77 375	79 984	81 348
Total: Overberg Municipalities		377 009	400 774	405 668
B	WC041 Kannaland	30 553	31 856	31 393
B	WC042 Hessequa	48 843	51 693	51 874
B	WC043 Mossel Bay	105 409	112 523	113 576
B	WC044 George	170 498	182 794	185 060
B	WC045 Oudtshoorn	80 955	85 225	84 727
B	WC047 Bitou	111 953	122 633	126 328
B	WC048 Knysna	98 572	105 702	106 933
C	DC4 Garden Route District Municipality	167 653	172 405	175 879
Total: Garden Route Municipalities		814 436	864 831	875 770
B	WC051 Laingsburg	18 461	19 470	19 496
B	WC052 Prince Albert	24 054	25 533	25 660
B	WC053 Beaufort West	69 625	73 655	73 387
C	DC5 Central Karoo District Municipality	33 268	34 504	34 891
Total: Central Karoo Municipalities		145 408	153 162	153 434
Total: Western Cape Municipalities		5 930 336	6 336 827	6 427 310
National Total		77 999 135	83 084 515	83 569 989

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	
					2021/22	R'000	2022/23	R'000
Basic Education (Vote 16)	Education Infrastructure Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation; to enhance capacity to deliver infrastructure in education; to address damages to infrastructure; to address achievement of the targets set out in the minimum norms and standards for school infrastructure.	General conditional allocation to provinces	Eastern Cape	1 640 977	1 635 316	1 705 711	1 705 711
				Free State	892 287	851 878	889 595	889 595
				Gauteng	1 589 208	1 580 702	1 651 947	1 651 947
				KwaZulu-Natal	2 120 492	2 137 060	2 230 004	2 230 004
				Limpopo	1 334 570	1 314 711	1 371 984	1 371 984
				Mpumalanga	1 161 475	1 133 260	1 184 469	1 184 469
				Northern Cape	633 345	580 791	607 576	607 576
				North West	1 158 484	1 130 482	1 179 049	1 179 049
				Western Cape	1 158 098	1 129 934	1 180 389	1 180 389
				Unallocated	-	735 302	767 709	767 709
TOTAL	11 688 936	12 229 436	12 768 433	12 768 433				
Health (Vote 18)	National Tertiary Services Grant	Ensure the provision of tertiary health services in South Africa; to compensate tertiary facilities for the additional costs associated with the provision of these services.	General conditional allocation to provinces	Eastern Cape	1 101 960	1 096 839	1 098 416	1 098 416
				Free State	1 172 085	1 197 412	1 199 170	1 199 170
				Gauteng	4 878 070	4 980 803	4 988 103	4 988 103
				KwaZulu-Natal	1 955 628	1 997 372	2 000 300	2 000 300
				Limpopo	453 296	454 661	452 963	452 963
				Mpumalanga	142 411	138 897	139 095	139 095
				Northern Cape	397 756	411 094	408 681	408 681
				North West	333 611	334 999	332 476	332 476
				Western Cape	3 272 981	3 318 681	3 332 007	3 332 007
				Unallocated	-	69 669	72 735	72 735
TOTAL	13 707 798	14 000 427	14 023 946	14 023 946				
Transport (Vote 40)	(a) Provincial Roads Maintenance Grant	To supplement provincial investments for road infrastructure maintenance (routine, periodic and special maintenance); to ensure that all roads are classified as per the Road Infrastructure Strategic Framework for South Africa and the technical recommendations for highways, 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 unforeseen incidents including natural disasters; to improve road safety with a special focus on pedestrian safety in rural areas.	General conditional allocation to provinces	Eastern Cape	1 677 797	1 515 099	1 590 854	1 590 854
				Free State	1 490 271	1 345 759	1 413 047	1 413 047
				Gauteng	767 135	692 745	727 382	727 382
				KwaZulu-Natal	2 138 225	1 930 879	2 027 423	2 027 423
				Limpopo	1 333 213	1 203 929	1 264 125	1 264 125
				Mpumalanga	1 072 941	970 945	1 018 275	1 018 275
				Northern Cape	1 267 309	1 144 417	1 201 638	1 201 638
				North West	1 090 622	984 863	1 034 106	1 034 106
				Western Cape	1 099 046	992 470	1 042 094	1 042 094
				Unallocated	-	1 724 513	1 737 845	1 737 845
TOTAL	11 936 559	12 505 619	13 056 789	13 056 789				
(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	283 803	282 592	295 047	295 047	
			Free State	313 768	312 430	326 200	326 200	
			Gauteng	2 742 249	2 750 550	2 850 896	2 850 896	
			KwaZulu-Natal	1 314 912	1 309 303	1 367 009	1 367 009	
			Limpopo	424 147	422 338	440 952	440 952	
			Mpumalanga	714 173	711 127	742 469	742 469	
			Northern Cape	63 854	63 581	66 383	66 383	
			North West	131 258	130 698	136 458	136 458	
			Western Cape	1 132 644	1 127 813	1 177 520	1 177 520	
			TOTAL	7 120 808	7 090 432	7 402 934	7 402 934	

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	
				2021/22	Forward Estimates	2022/23	2023/24
Human Settlements (Vote 33)	Urban Settlements Development Grant	To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development.	Buffalo City	R'000 499 705	R'000 496 166	R'000 518 034	R'000 518 034
			City of Cape Town	972 431	965 545	1 008 100	1 008 100
			City of Ekurhuleni	1 291 347	1 282 202	1 338 713	1 338 713
			City of Johannesburg	1 213 099	1 204 509	1 257 596	1 257 596
			City of Tshwane	1 051 557	1 044 111	1 090 129	1 090 129
			eThekweni	1 288 158	1 279 036	1 335 408	1 335 408
			Mangaung	495 269	491 759	513 434	513 434
			Nelson Mandela Bay	593 145	588 945	614 902	614 902
			TOTAL	7 404 711	7 352 273	7 676 316	7 676 316

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B			
					2021/22		Forward Estimates			
					R'000	2022/23	R'000	2023/24		
Agriculture, Land Reform and Rural Development (Vote 29)	(a) Comprehensive Agricultural Support Programme Grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform, restitution and redistribution, and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export; to revitalise agricultural colleges into centres of excellence.	Conditional allocation	Eastern Cape	246 610	251 233	255 336			
				Free State	185 645	190 375	193 485			
				Gauteng	99 113	101 359	103 014			
				KwaZulu-Natal	214 053	218 604	222 175			
				Limpopo	233 511	237 816	241 700			
				Mpumalanga	161 005	165 034	167 729			
				Northern Cape	120 382	122 803	124 811			
				North West	180 488	185 123	188 147			
				Western Cape	116 753	119 697	121 652			
				TOTAL	1 557 560	1 592 044	1 618 049			
				(b) 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 within strategically identified grain, livestock, horticulture and aquaculture production areas.	Conditional allocation	Eastern Cape	74 567	76 209	77 482
							Free State	71 601	73 178	74 401
							Gauteng	36 459	37 262	37 885
KwaZulu-Natal	73 799	75 424	76 685							
Limpopo	73 709	75 333	76 592							
Mpumalanga	68 980	70 499	71 678							
Northern Cape	68 980	70 499	71 677							
North West	71 310	72 881	74 099							
Western Cape	57 721	58 993	59 979							
TOTAL	597 126	610 278	620 478							
(c) Land Care Programme Grant: Poverty Relief and Infrastructure Development	To promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all.	Conditional allocation	Eastern Cape				12 513	12 700	12 935	
			Free State				8 366	8 516	8 616	
			Gauteng				5 016	5 219	5 360	
			KwaZulu-Natal	13 022	13 110	13 310				
			Limpopo	13 016	13 303	13 480				
			Mpumalanga	9 474	9 762	9 830				
			Northern Cape	7 697	7 825	8 016				
			North West	8 782	8 953	9 101				
			Western Cape	5 451	5 532	5 680				
			TOTAL	83 337	84 920	86 328				

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Coltmm A		Coltmm B	
					2021/22		Forward Estimates	
					R'000	R'000	2022/23	2023/24
Basic Education (Vote 16)	(a) HIV and AIDS (Life Skills Education) Grant	To support South Africa's HIV prevention strategy by: providing comprehensive sexuality education and access to sexual and reproductive health services to learners; supporting the provision of employee health and wellness programmes for educators; to mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators; to reduce the vulnerability of children to HIV, TB and sexually transmitted infections, with a particular focus on orphaned children and girls.	Conditional allocation	Eastern Cape	45 089	44 350	45 077	
				Free State	10 250	11 093	10 700	
				Gauteng	36 464	37 159	36 385	
				KwaZulu-Natal	61 450	61 095	62 910	
				Limpopo	26 552	26 358	27 036	
				Mpumalanga	19 530	19 485	18 586	
				Northern Cape	6 302	6 864	7 234	
				North West	15 909	16 931	15 654	
				Western Cape	20 368	17 719	18 071	
				TOTAL	241 914	241 054	241 653	
	(b) Learners With Profound Intellectual Disabilities Grant	To provide the necessary support, resources and equipment to identified care centres and schools for the provision of education to children with severe to profound intellectual disabilities.	Conditional allocation	Eastern Cape	27 004	27 908	29 070	
				Free State	26 692	27 463	29 334	
				Gauteng	33 156	34 242	35 425	
				KwaZulu-Natal	32 576	33 564	34 534	
				Limpopo	32 666	33 436	34 228	
				Mpumalanga	30 132	30 748	31 354	
				Northern Cape	13 664	13 773	15 151	
				North West	18 317	19 080	20 259	
				Western Cape	28 553	29 216	31 069	
				TOTAL	242 760	249 430	260 424	
	(c) Maths, Science and Technology Grant	To provide support and resources to schools, teachers and learners in line with the Curriculum Assessment Policy Statements for the improvement of mathematics, science and technology teaching and learning at selected public schools.	Conditional allocation	Eastern Cape	52 116	53 844	54 793	
				Free State	38 299	39 334	40 285	
				Gauteng	58 811	60 830	61 778	
				KwaZulu-Natal	67 855	70 244	71 193	
				Limpopo	48 143	49 641	50 592	
				Mpumalanga	42 584	43 833	44 784	
				Northern Cape	27 458	27 951	28 902	
				North West	40 521	41 667	42 617	
				Western Cape	36 347	37 184	38 135	
				TOTAL	412 134	424 528	433 079	
	(d) National School Nutrition Programme Grant	To provide nutritious meals to targeted schools.	Conditional allocation	Eastern Cape	1 443 715	1 492 183	1 551 943	
				Free State	453 516	468 320	486 382	
				Gauteng	958 730	990 902	1 030 565	
				KwaZulu-Natal	1 831 602	1 893 312	1 967 842	
				Limpopo	1 456 918	1 505 439	1 568 178	
				Mpumalanga	777 342	803 588	834 685	
				Northern Cape	213 304	219 740	229 671	
				North West	545 755	563 137	584 855	
				Western Cape	434 387	448 823	467 538	
				Unallocated	-	118 688	157 283	
TOTAL	8 115 269	8 504 132	8 878 942					

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2021/22		Forward Estimates	
					R'000	2023/24	R'000	2023/24
Health (Vote 18)	(a) Health Facility Revitalisation Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organisational development systems and quality assurance; to enhance capacity to deliver health infrastructure; to accelerate the fulfilment of the requirements of occupational health and safety.	Conditional allocation	Eastern Cape	685 588	666 248	695 163	R'000
				Free State	609 977	585 287	610 689	
				Gauteng	965 871	966 363	1 008 303	
				KwaZulu-Natal	1 247 730	1 268 166	1 323 204	
				Limpopo	755 533	741 142	773 307	
				Mpumalanga	457 065	421 555	439 851	
				Northern Cape	379 637	406 498	424 139	
				North West	618 922	594 864	620 681	
				Western Cape	724 865	728 920	803 515	
				Unallocated	-	506 928	536 008	
TOTAL	6 445 188	6 885 971	7 234 860					
	(b) HIV, TB, Malaria and Community Outreach Grant	To enable the health sector to develop and implement an effective response to HIV and AIDS; to enable the health sector to develop and implement an effective response to TB; to ensure provision of quality community outreach services through Ward Based Primary Health Care Outreach Teams; to improve efficiencies of the Ward Based Primary Health Care Outreach Teams programme by harmonising and standardising services and strengthening performance monitoring; prevention and protection of health workers from exposure to hazards in the work place; to enable the health sector to develop and implement an effective response to support the effective implementation of the National Strategic Plan on Malaria Elimination 2019 – 2023; to enable the health sector to prevent cervical cancer by making available Human Papillomavirus vaccinations for grade seven school girls in all public and special schools and progressive integration of Human Papillomavirus into the integrated school health programme.	Conditional allocation	Eastern Cape	3 062 784	3 093 381	3 026 917	
				Free State	1 633 446	1 656 958	1 617 125	
				Gauteng	5 955 802	6 014 176	5 820 120	
				KwaZulu-Natal	7 160 537	7 276 975	7 118 208	
				Limpopo	2 495 590	2 505 174	2 411 860	
				Mpumalanga	2 532 773	2 554 973	2 485 920	
				Northern Cape	734 088	788 066	736 343	
				North West	1 862 690	1 866 142	1 807 722	
				Western Cape	2 147 742	2 154 580	2 065 397	
				TOTAL	27 585 452	27 910 425	27 089 612	
	(c) Human Resources and Training Grant	To appoint statutory positions in the health sector for systematic realisation of the human resources for health strategy and the phase-in of National Health Insurance; support provinces to fund service costs associated with clinical training and supervision of health science trainees on the public service platform.	Conditional allocation	Eastern Cape	426 081	365 854	367 294	
				Free State	186 340	182 457	200 648	
				Gauteng	1 342 762	1 295 178	1 284 827	
				KwaZulu-Natal	562 959	571 970	578 935	
				Limpopo	230 320	230 279	230 325	
				Mpumalanga	188 805	188 563	192 578	
				Northern Cape	128 149	128 443	121 416	
				North West	193 113	193 020	189 191	
				Western Cape	795 929	818 062	805 331	
				Unallocated	-	25 149	26 255	
TOTAL	4 054 458	3 998 975	3 996 800					
	(d) National Health Insurance Grant	To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers.	Nationally assigned function to provinces	Eastern Cape	41 272	41 621	41 635	
				Free State	19 601	19 767	19 774	
				Gauteng	49 859	50 468	50 486	
				KwaZulu-Natal	50 415	50 842	50 860	
				Limpopo	31 952	32 774	32 784	
				Mpumalanga	19 243	19 406	19 413	
				Northern Cape	19 233	19 733	19 739	
				North West	19 323	19 487	19 494	
				Western Cape	17 779	17 933	17 939	
				TOTAL	268 677	272 031	272 124	

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2021/22	Forward Estimates	2023/24
Human Settlements (Vote 33)	(a) Human Settlements Development Grant	To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements.	Conditional allocation	Eastern Cape	R'000	R'000	R'000
				Free State	1 491 219	1 542 022	1 608 515
				Gauteng	786 254	813 041	848 099
				KwaZulu-Natal	3 824 974	3 955 283	4 125 835
				Limpopo	2 455 021	2 537 519	2 657 279
				Mpumalanga	877 072	906 953	946 060
				Northern Cape	893 960	924 416	964 277
				North West	264 528	273 541	285 336
				Western Cape	1 234 648	1 276 712	1 331 763
					1 575 285	1 628 418	1 701 511
	TOTAL				13 402 961	13 857 905	14 468 675
Public Works and Infrastructure (Vote 13)	(b) Informal Settlements Upgrading Partnership Grant: Provinces	To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements.	Conditional allocation	Eastern Cape	432 428	458 151	478 343
				Free State	228 001	241 563	252 209
				Gauteng	1 109 179	1 175 155	1 226 949
				KwaZulu-Natal	714 375	756 868	790 226
				Limpopo	254 336	269 465	281 341
				Mpumalanga	259 233	274 653	286 758
				Northern Cape	76 709	81 272	84 855
				North West	358 028	379 324	396 042
				Western Cape	457 429	484 638	505 998
					TOTAL		
Public Works and Infrastructure (Vote 13)	(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; waste management.	Conditional allocation	Eastern Cape	102 099	-	-
				Free State	21 651	-	-
				Gauteng	48 838	-	-
				KwaZulu-Natal	114 398	-	-
				Limpopo	33 749	-	-
				Mpumalanga	22 736	-	-
				Northern Cape	16 390	-	-
				North West	32 852	-	-
				Western Cape	29 773	-	-
				Unallocated	-	433 098	434 762
	TOTAL				422 486	433 098	434 762
Public Works and Infrastructure (Vote 13)	(b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces	To incentivise provincial social sector departments, identified in the social sector Expanded Public Works Programme log-frame, to increase job creation by focusing on the strengthening and expansion of social sector programmes that have employment potential.	Conditional allocation	Eastern Cape	51 825	-	-
				Free State	37 600	-	-
				Gauteng	44 721	-	-
				KwaZulu-Natal	98 599	-	-
				Limpopo	67 687	-	-
				Mpumalanga	26 824	-	-
				Northern Cape	17 277	-	-
				North West	30 884	-	-
				Western Cape	39 027	-	-
				Unallocated	-	424 848	426 480
	TOTAL				414 444	424 848	426 480

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Coltmm A		Coltmm B				
					2021/22		Forward Estimates				
					R'000	2022/23	R'000	2023/24			
Social Development (Vote 19)	Early Childhood Development Grant	To increase the number of poor children accessing subsidised early childhood development services through centre and non-centre based programmes; to support early childhood development providers delivering an early childhood development programme to meet basic health and safety requirements for registration; to pilot the construction of new low-cost early childhood development centres.	Conditional allocation	Eastern Cape	157 970	172 974	180 313				
				Free State	63 533	57 703	60 151				
				Gauteng	152 107	166 961	174 044				
				KwaZulu-Natal	227 031	246 758	257 227				
				Limpopo	143 443	146 231	152 435				
				Mpumalanga	96 251	95 254	99 295				
				Northern Cape	25 302	24 196	25 223				
				North West	88 751	101 924	106 249				
				Western Cape	102 273	101 631	105 943				
				Unallocated	-	78 286	81 607				
				TOTAL	1 056 661	1 191 918	1 242 487				
				Sport, Arts and Culture (Vote 37)	(a) 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	169 310	178 199	178 089
								Free State	168 771	178 609	178 472
Gauteng	167 899	174 050	176 522								
KwaZulu-Natal	185 572	186 505	189 050								
Limpopo	140 606	150 846	153 597								
Mpumalanga	165 056	166 623	170 726								
Northern Cape	168 855	178 695	178 562								
North West	140 905	150 190	152 451								
Western Cape	188 862	190 102	193 331								
TOTAL	1 495 836	1 553 819	1 570 800								
Sport, Arts and Culture (Vote 37)	(b) Mass Participation and Sport Development Grant	To facilitate sport and active recreation participation and empowerment in partnership with relevant stakeholders.	Conditional allocation					Eastern Cape	69 310	67 515	63 343
								Free State	41 155	68 258	100 351
								Gauteng	102 018	97 854	90 841
				KwaZulu-Natal	94 208	92 726	86 105				
				Limpopo	63 148	61 650	58 112				
				Mpumalanga	50 864	48 772	46 601				
				Northern Cape	35 038	32 625	31 918				
				North West	46 424	44 757	42 415				
				Western Cape	88 884	87 762	84 274				
				TOTAL	591 049	601 919	603 960				

SCHEDULE 5, PART B

SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A		Column B	
			2021/22	Forward Estimates	2022/23	2023/24
			R'000	R'000	R'000	R'000
RECURRENT GRANTS						
Cooperative Governance (Vote 3)	Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation.	-	-	-	-
National Treasury (Vote 8)	(a) Programme and Project Preparation Support Grant	To support metropolitan municipalities to develop a pipeline of investment ready capital programmes and projects through establishing and institutionalising an effective and efficient system of programme and project preparation and the allocation of a growing level of municipal resources to preparation activities.	341 312	360 886	376 792	
	(b) Infrastructure Skills Development Grant	To recruit unemployed graduates into municipalities to be trained and professionally registered, as per the requirements of the relevant statutory councils within the built environment.	155 217	159 246	159 857	
	(c) 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.	552 061	566 395	568 571	
Public Works and Infrastructure (Vote 13)	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 sanitation reticulation (excluding bulk infrastructure); other economic and social infrastructure/tourism and cultural industries; waste management; parks and beautification; sustainable land-based livelihoods; social services programmes; community safety programmes.	758 693	778 395	781 385	
TOTAL			1 807 283	1 864 922	1 886 605	

SCHEDULE 5, PART B
SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A		Column B	
			2021/22	2022/23	Forward Estimates	2023/24
			R'000	R'000	R'000	R'000
INFRASTRUCTURE GRANTS						
Cooperative Governance (Vote 3)	(a) Integrated Urban Development Grant	To provide funding for public investment in infrastructure for the poor and to promote increased access to municipal own sources of capital finance in order to increase funding for public investment in economic infrastructure; to ensure that public investments are spatially aligned and to promote the sound management of the assets delivered.	1 009 068	1 075 368	1 122 764	
	(b) Municipal Infrastructure Grant	To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities; to provide specific funding for the development of asset management plans for infrastructure servicing the poor.	15 592 748	16 852 001	17 594 733	
Human Settlements (Vote 33)	Informal Settlements Upgrading Partnership Grant: Municipalities	To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to upgrading informal settlements.	3 945 447	4 180 530	4 364 782	
Mineral Resources and Energy (Vote 34)	(a) 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.	220 874	231 204	232 092	
	(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 all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure.	2 003 157	2 118 668	2 212 046	
National Treasury (Vote 8)	Neighbourhood Development Partnership Grant (Capital)	To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, generally townships and rural towns.	566 611	593 074	619 213	
Transport (Vote 40)	(a) Public Transport Network Grant	To provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that form part of a municipal integrated public transport network and to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services.	6 514 533	6 766 892	6 794 045	
	(b) Rural Roads Asset Management Systems Grant	To assist district municipalities to set up rural roads and asset management systems and collect road, bridges and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa.	109 870	115 020	115 461	
Water and Sanitation (Vote 41)	(a) Regional Bulk Infrastructure Grant	To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance 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 implement bulk infrastructure with a potential of addressing water conservation and water demand management projects or facilitate and contribute to the implementation of local water conservation and water demand management projects that will directly impact on bulk infrastructure requirements.	2 156 025	2 280 772	2 381 294	
	(b) Water Services Infrastructure Grant	Facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities; provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development; support municipalities in implementing water conservation and water demand management projects; support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas; support drought relief projects in affected municipalities.	3 620 327	3 701 019	3 864 137	
TOTAL			35 738 660	37 914 548	39 300 567	

SCHEDULE 6, PART A

ALLOCATIONS-IN-KIND TO PROVINCES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A		Column B	
			2021/22	Forward Estimates	2022/23	2023/24
Basic Education (Vote 16)	School Infrastructure Backlogs Grant	Eradication of all inappropriate school infrastructure; provision of water, sanitation and electricity to schools.	R'000 2 283 564	R'000 2 402 843	R'000 2 078 506	
Health (Vote 18)	National Health Insurance Indirect Grant	To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance; to enhance capacity and capability to deliver infrastructure for National Health Insurance; to accelerate the fulfilment of the requirements of occupational health and safety; expand the alternative models for the dispensing and distribution of chronic medication; develop and roll-out new health information systems in preparation for National Health Insurance; Enable the health sector to address the deficiencies in the primary health care facilities systematically to yield fast results through the implementation of the Ideal Clinic programme; to expand the healthcare service benefits through the strategic purchasing of services from healthcare providers.	2 117 705	2 541 130	2 803 299	
		TOTAL	4 401 269	4 943 973	4 881 805	

SCHEDULE 6, PART B

ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A	Column B	
			2021/22	Forward Estimates	
			R'000	2023/24	
			R'000	R'000	
Cooperative Governance (Vote 3)	Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation.	135 302	140 331	146 516
Mineral Resources and Energy (Vote 34)	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 all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure in Eskom licenced areas.	2 824 257	3 638 162	3 821 156
National Treasury (Vote 8)	Neighbourhood Development Partnership Grant (Technical Assistance)	To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, generally townships and rural towns; community safety programmes.	90 755	100 526	100 902
Water and Sanitation (Vote 41)	(a) Regional Bulk Infrastructure Grant	To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance 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 implement bulk infrastructure with a potential of addressing water conservation and water demand management projects or facilitate and contribute to the implementation of local water conservation and water demand management projects that will directly impact on bulk infrastructure requirements.	3 274 930	3 550 050	3 607 327
	(b) Water Services Infrastructure Grant	Facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities; provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development; support municipalities in implementing water conservation and water demand management projects; support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas; support drought relief projects in affected municipalities.	729 692	771 336	805 332
		TOTAL	7 054 936	8 200 405	8 481 233

SCHEDULE 7, PART A

UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2021/22	Forward Estimates 2022/23	Forward Estimates 2023/24
			R'000	R'000	R'000
Cooperative Governance (Vote 3)	Provincial Disaster Relief Grant	To provide for the immediate release of funds for disaster response.	1 40 277	145 328	145 843
Human Settlements (Vote 33)	Provincial Emergency Housing Grant	To provide funding to provinces for provision of temporary shelter assistance to households affected by disasters or a housing emergency; to provide funding to provinces to repair the damage to housing for low-income households following a disaster or housing emergency if the costs of repairs are less than the cost of relocation and provision of temporary shelter.	3 11 118	325 764	340 122
		TOTAL	451 395	471 092	485 965

SCHEDULE 7, PART B

UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2021/22	Forward Estimates 2022/23	Forward Estimates 2023/24
			R'000	R'000	R'000
Cooperative Governance (Vote 3)	Municipal Disaster Relief Grant	To provide for the immediate release of funds for disaster response.	358 511	371 420	372 732
Human Settlements (Vote 33)	Municipal Emergency Housing Grant	To provide funding to municipalities for provision of temporary shelter assistance to households affected by disasters or a housing emergency; to provide funding to municipalities to repair the damage to housing for low-income households following a disaster or housing emergency if the costs of repairs are less than the cost of relocation and provision of temporary shelter.	167 526	175 412	183 143
		TOTAL	526 037	546 832	555 875

MEMORANDUM ON THE OBJECTS OF THE DIVISION OF REVENUE BILL, 2021

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 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 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 immediate response to a disaster.

2. SUMMARY OF BILL

The following is a brief summary of the Bill:

- *Clause 1* contains definitions;
- *Clause 2* sets out the objects of the Bill, which are to provide for the equitable division of revenue raised nationally among the three spheres of government 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 on dates specified in clause 5 in amounts as determined in terms of clause 23(2);
- *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 to be made 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, 5 and 6 allocations;
- *Clauses 11 and 12* set out the duties of a receiving officer in respect of Schedules 4, 5 and 7 allocations;
- *Clause 13* sets out the additional duties of a receiving officer in respect of infrastructure conditional allocations to provinces;
- *Clause 14* prescribes the duties in respect of annual financial statements and annual reports for the 2021/22 financial year;
- *Clause 15* requires the publication of certain allocations and all conditional grant frameworks in the *Government Gazette*;
- *Clause 16* requires that spending must only be in accordance with the purpose and subject to the conditions set out in the grant frameworks for Schedules 4 to 7 allocations, and sets out funding related arrangements if a function partially or fully funded by a conditional grant is assigned by a province to a municipality;
- *Clauses 17 and 18* provide for the withholding and stopping of allocations;

- *Clause 19* provides for the reallocation of funds;
- *Clause 20* provides for the possible conversion of certain allocations in order to prevent under-spending on the allocation, if the affected national or provincial department has demonstrated the capacity to implement projects;
- *Clause 21* provides for the management of unspent conditional allocations;
- *Clauses 22 and 23* provide for payment schedules and their amendment;
- *Clause 24* provides for the recovery of any allocation transferred in error or fraudulently;
- *Clause 25* provides for new allocations during a financial year and the use of funds allocated in Schedule 7;
- *Clause 26* provides for preparations for the 2022/23 and 2023/24 financial years;
- *Clause 27* deals with transfers before the commencement of the Division of Revenue Act for the 2022/23 financial year and the conditions attached to such transfers;
- *Clause 28* sets out the duties of municipalities;
- *Clause 29* sets out the duties and powers of provincial treasuries;
- *Clause 30* sets out the duties and powers of the National Treasury;
- *Clauses 31 to 37* provide for general matters such as liability for costs incurred in violation of principles of co-operative governance and intergovernmental relations, irregular expenditure, financial misconduct, delegations and assignments, departures, the power of the Minister of Finance to make regulations and the transitional measures for municipal election in 2021;
- *Clause 38* provides for the repeal of laws;
- *Clause 39* provides for the short title and commencement.

3. ORGANISATIONS AND INSTITUTIONS CONSULTED

The following institutions were consulted on the Bill:

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

4. FINANCIAL IMPLICATIONS TO THE STATE

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

5. CONSTITUTIONAL IMPLICATIONS

The Bill gives effect to section 214 of the Constitution.

6. PARLIAMENTARY PROCEDURE

- 6.1 The State Law Advisers and the National Treasury are of the opinion that this Bill must be dealt with in accordance with the procedure prescribed by section 76(1) of the Constitution, since it provides for legislation envisaged in Chapter 13 of the Constitution, and it includes provisions affecting the financial interests of the provincial sphere of government, as contemplated in section 76(4)(b) of the Constitution.
- 6.2 Chapter 4 of the Constitution provides for the procedures that Bills must follow in Parliament. Section 76 of the Constitution provides for parliamentary procedure for ordinary Bills affecting the provinces. In terms of section 76(3) a Bill must be dealt with in accordance with the procedure established by either subsection 76(1) or subsection 76(2) if it falls within a functional area listed in Schedule 4.
- 6.3 In *Tongoane and Others v Minister for Agriculture and Land Affairs and Others*, 2010 (8) BCLR 741 (CC) at paragraphs 70 and 72, the Constitutional Court stated that the test for determining how a Bill is to be tagged must be broader than that for determining legislative competence. Whether a Bill is a section 76 Bill is determined in two ways. First by the explicit list of legislative matters in section 76(3), and second by whether the provisions of a Bill in substantial measure fall within a concurrent legislative competence.
- 6.4 This test compels us to consider the substance, purpose and effect of the subject matter of the proposed Bill.
- 6.5 As already pointed out, the Bill provides for legislation envisaged in Chapter 13 of the Constitution. Furthermore, the Bill includes provisions affecting the financial interests of the provincial sphere of government as contemplated in section 76(4)(b) of the Constitution. We are therefore of the opinion that the Bill must be dealt with in accordance with the procedure envisaged by section 76(1) of the Constitution.
- 6.6 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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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 257 municipalities. This process takes into account the powers and functions assigned to each sphere, fosters transparency and is at the heart of constitutional cooperative governance.

The Intergovernmental Fiscal Relations Act (1997) prescribes the steps 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 2021 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 memorandum complements the discussion of the division of revenue in Chapter 6 of the *Budget Review*. It has six sections:

- Part 1 lists the factors that inform the division of resources between national, provincial and local government.
- Part 2 describes the 2021 division of revenue.
- Part 3 sets out how the FFC's recommendations on the 2021 division of revenue have been taken into account.
- Part 4 explains the formula and criteria for dividing the provincial equitable share and conditional grants among provinces.
- Part 5 sets out the formula and criteria for dividing 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 (made up of the

Budget Council and SALGA). The division of revenue, along with the government priorities that underpin it, was agreed for the next three years at a Cabinet meeting in October 2020.

■ Part 1: Constitutional considerations

Section 214 of the Constitution requires that the annual Division of Revenue Act be enacted after factors in sub-sections (2)(a) to (j) are taken into account. The constitutional principles considered in the division of revenue are briefly noted below.

National interest and the division of resources

The national interest is captured in governance goals that benefit the nation. The National Development Plan sets out a long-term vision for the country's development, including for economic development, environmental sustainability and building a capable and developmental state. It also sets goals for specific provincial and local government functions, including basic education, health, agriculture, human settlements, electricity, water and sanitation. In the June 2019 State of the Nation Address, the President set out the following seven priorities for this administration:

- Economic transformation and job creation
- Education, skills and health
- Consolidating the social wage through reliable and quality basic services
- Spatial integration, human settlements and local government
- Social cohesion and safe communities
- Building a capable, ethical and developmental state
- A better Africa and world.

These priorities have informed deliberations in the budget process on how resources will be allocated between the different spheres of government. They will also form the basis of the implementation plan for the National Development Plan for the current administration. In responding to the aftermath of the COVID-19 pandemic, in October 2020, the President introduced an economic recovery plan for South Africa that aims to:

- Create jobs, primarily through infrastructure investment and mass employment programmes
- Reindustrialise the economy, focusing on growing small businesses
- Accelerate economic reforms to unlock investment and growth
- Fight crime and corruption
- Improve the capability of the state.

In the 2020 *Medium Term Budget Policy Statement* (MTBPS), the Minister of Finance outlined how the resources available to government over the 2021 medium-term expenditure framework (MTEF) period would be allocated to help achieve government's goals in a difficult economic environment. Chapter 4 of the 2020 MTBPS and Chapters 5 and 6 of the 2021 *Budget Review* discuss how funds have been allocated across the three spheres of government based on these priorities. The framework for each conditional grant also notes how the grant is linked to the seven priorities.

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. Chapter 7 of the 2021 *Budget Review* provides a more detailed discussion.

National government's needs and interests

The Constitution assigns exclusive and concurrent powers and functions to each sphere of government. National government is solely responsible for functions that serve the national interest and are best centralised. National and provincial government have concurrent responsibility for a range of functions. Provincial and local government receive equitable shares and conditional grants to enable them to provide basic services and perform their functions. Functions may shift between spheres of government to better meet the country's needs, which is then reflected in the division of revenue. Changes continue to be made to various national transfers to provincial and local government to improve their efficiency, effectiveness and alignment with national strategic objectives.

Provincial and local government basic services

Provinces and municipalities are responsible for providing education, health, social development, housing, roads, electricity and water, and municipal infrastructure services. They have the 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 to enable them to meet their basic service obligations. In addition, conditional grants are provided to enable them to improve and expand services.

Over half of non-interest spending is allocated to provinces and local government. These allocations also grow at a faster rate than those to national departments over the 2021 MTEF period, reflecting the priority placed on health, education and basic services, as well as the rising costs of these services as a result of population growth and higher bulk electricity and water costs.

Fiscal capacity and efficiency

National government has primary revenue-raising powers, with it collecting most of the largest taxes such as income taxes, value-added tax, fuel levies and customs and excise duties. The difference between the assignment of revenue-raising powers and spending responsibilities between the spheres of government is compensated for through the transfer of nationally raised revenue to provinces and local government.

Provinces have limited tax-raising powers. Licences for vehicles and gambling are their largest sources of own tax revenue. Provincial functions such as basic education, public healthcare and social welfare do not lend themselves to self-funding or cost recovery. Due to their limited revenue-raising ability, and their responsibility to implement costly services at no or low fees to most recipients, provinces receive a larger share of nationally raised revenue than local government.

Municipalities are assigned significant own revenue-raising powers, including the collection of property rates, which is a tax equivalent to more than 1 per cent of gross domestic product (GDP) and is worth slightly more than nationally collected revenue from customs duties. Municipalities also provide services such as electricity and water, the costs of which can be recovered through tariffs. As a result, local government finances most of its expenditure through property rates, user charges and fees. However, the ability of individual municipalities to raise revenue varies greatly – rural municipalities raise significantly less revenue than large urban and metropolitan municipalities. The design of the local government fiscal framework acknowledges that, as a result of their lower own revenue capacity, many rural municipalities will depend on transfers for most of their funding. The local government equitable share formula incorporates a revenue adjustment factor that considers the fiscal capacity of each recipient municipality (full details of the formula are provided in Part 5 of this annexure). The equitable share also provides funding to enable all municipalities to provide free basic water, electricity, sanitation and waste management services to poor households. To support the expansion of these services, local government's share of nationally raised revenue has increased from 3 per cent in 2000/01 to 9.4 per cent over the 2021 MTEF period.

The mechanisms for allocating funds to provinces and municipalities are regularly reviewed to improve their efficiency. To maximise the impact of allocations, many provincial and local government conditional grants consider the recipient's efficiency in using previous allocations. The reductions in planned transfers

over the 2021 MTEF period also took account of past performance of conditional grants, both in terms of their spending levels and their efficiency in meeting their objectives with the funds that were spent.

Developmental needs

Developmental needs are accounted for at two levels. First, in determining the division of revenue, which mostly grows the provincial and local government shares of nationally raised revenue faster than inflation, and second, in the formulas used to divide national transfers among municipalities and provinces. Developmental needs are built into the equitable share formulas for provincial and local government and included in specific conditional grants, such as the *municipal infrastructure grant*, which allocates funds according to the number of households in a municipality without access to basic services. Various infrastructure grants and the capital budgets of provinces and municipalities aim to boost economic and social development.

Economic disparities

The equitable share and infrastructure grant formulas redistribute funds towards poorer provinces and municipalities (parts 4 and 5 of this annexure provide statistics illustrating this). Through the division of revenue, government continues to invest in economic infrastructure (such as roads) and social infrastructure (such as schools, hospitals and clinics) to stimulate economic development, create jobs, and address economic and social disparities.

Obligations in terms of national legislation

The Constitution gives provincial governments and municipalities the power to determine priorities and allocate budgets. National government is responsible for developing policy, fulfilling national mandates, setting national norms and standards for provincial and municipal functions, and monitoring the implementation of concurrent functions.

The 2021 MTEF, through the division of revenue, continues to fund the delivery of provincial, municipal and concurrent functions through a combination of conditional and unconditional grants.

Predictability and stability

Provincial and local government equitable share allocations are based on estimates of nationally raised revenue. If this revenue falls short of estimates within a given year, the equitable shares of provinces and local government will not be reduced. 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 themselves are phased in to ensure minimal disruption.

Flexibility in responding to emergencies

Government has a contingency reserve for emergencies and unforeseeable events. In addition, four conditional grants for disasters and housing emergencies allow government to swiftly allocate and transfer funds to affected provinces and municipalities in the immediate aftermath of a disaster. Sections 16 and 25 of the Public Finance Management Act (1999) provide 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 2021 division of revenue

The central fiscal objectives over the MTEF period are to:

- Narrow the deficit and stabilise the debt-to-GDP ratio, primarily by controlling non-interest expenditure growth;
- Provide continued support to the economy and public health services in the short term, without adding to long-term spending pressures;
- Improve the composition of spending, by reducing growth in compensation while protecting capital investment (see Chapter 3 of the 2021 *Budget Review*).

However, the most important public spending programmes that help poor South Africans, contribute to growth and create jobs have been protected from major reductions. The 2021 division of revenue reprioritises existing funds to ensure these objectives are met.

Excluding debt-service costs and the contingency reserve, allocated expenditure shared across government amounts to R1.54 trillion in 2021/22, R1.53 trillion in 2022/23 and R1.53 trillion in 2023/24. The division of these funds between the three spheres takes into account government's spending priorities, each sphere's revenue-raising capacity and responsibilities, and input from various intergovernmental forums and the FFC. The provincial and local equitable share formulas are designed to ensure fair, stable and predictable revenue shares, and to address economic and fiscal disparities.

Reductions to transfers

The fiscal objectives that determined the spending envelope are set out in Chapter 3 of the 2021 *Budget Review*. Reductions to previously announced spending levels were made across all three spheres of government to fit within the revised expenditure ceiling. The 2020 MTBPS announced that provincial transfers have been reduced by R221.8 billion over the MTEF period and transfers to local government have been reduced by R17.7 billion.

Following the 2020 MTBPS, further changes were made. In total, the provincial equitable share has been reduced by R205.9 billion over the medium term. Direct conditional grants to provinces have been reduced by a net R10.7 billion, as the reduction of R13.5 billion is partly offset by reprioritisations and additions of R2.6 billion. The local government reductions comprise R14.7 billion from the local government equitable share, R2.7 billion from the general fuel levy sharing with metropolitan municipalities and R2 billion in reductions to direct conditional grants.

To limit growth in government expenditure and ensure public debt is sustainable, several local government infrastructure grants that are likely to go unspent or to be spent less effectively have been reduced. Grants that have persistently underperformed have been reduced by larger amounts. Parts 4 and 5 of this annexure set out in more detail how the changes to the baseline affect provincial and local government transfers.

As outlined in the 2020 MTBPS, the proposed reductions to the wage bill discussed in Chapters 3 of the *Budget Review* represent the largest reductions to national and provincial allocations. Relative to the 2020 Budget, the provincial equitable share will be reduced by R58.3 billion in 2021/22, R83.5 billion in 2022/23 and R64.1 billion in 2023/24. This wage freeze has lowered the national and provincial shares of the division of revenue and increased that of local government in relative terms.

Reprioritisations

To meet policy objectives while remaining within the revised expenditure ceiling, existing budgets need to be reprioritised to meet government's policy goals. Priorities over the 2021 MTEF period that are funded through reprioritisations in the division of revenue include addressing shortfalls in the funding of the appointment of medical interns in the health sector.

These reprioritisations complement baselines that provide R1.9 trillion to provinces and R432.6 billion to local government in transfers over the 2021 MTEF period. These transfers fund many core policy priorities, including basic education, health, social development, roads, housing and municipal services.

The fiscal framework

Table W1.1 presents the medium-term macroeconomic forecasts for the 2021 Budget. It sets out the growth assumptions and fiscal policy targets on which the fiscal framework is based.

Table W1.1 Medium-term macroeconomic assumptions

R billion/percentage of GDP	2020/21		2021/22		2022/23		2023/24
	2020 Budget	2021 Budget	2020 Budget	2021 Budget	2020 Budget	2021 Budget	2021 Budget
Gross domestic product	5 428.2	4 921.0	5 759.0	5 352.2	6 126.3	5 666.3	5 997.2
Real GDP growth	0.9%	-8.3%	1.4%	5.4%	1.7%	1.9%	1.6%
GDP inflation	4.3%	4.2%	4.6%	3.2%	4.6%	3.9%	4.1%
National budget framework							
Revenue	1 398.0	1 200.8	1 484.3	1 351.7	1 580.9	1 453.7	1 522.0
Percentage of GDP	25.8%	24.4%	25.8%	25.3%	25.8%	25.7%	25.4%
Expenditure	1 766.0	1 804.2	1 850.7	1 834.3	1 940.2	1 870.8	1 911.0
Percentage of GDP	32.5%	36.7%	32.1%	34.3%	31.7%	33.0%	31.9%
Main budget balance¹	-368.0	-603.4	-366.4	-482.6	-359.3	-417.2	-389.0
Percentage of GDP	-6.8%	-12.3%	-6.4%	-9.0%	-5.9%	-7.4%	-6.5%

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

Source: National Treasury

Table W1.2 sets out the division of revenue for the 2021 MTEF period after accounting for new policy priorities.

Table W1.2 Division of nationally raised revenue

R million	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Outcome			Revised estimate	Medium-term estimates		
Division of available funds							
National departments	592 640	634 314	749 718	804 484	763 304	736 286	738 988
of which:							
Indirect transfers to provinces	3 813	3 909	3 941	4 160	4 401	4 944	4 882
Indirect transfers to local government	7 803	7 887	7 024	6 865	7 055	8 200	8 481
Provinces	538 553	571 954	613 450	628 311	639 469	643 343	646 824
Equitable share	441 331	470 287	505 554	520 717	523 686	524 088	525 304
Conditional grants	97 222	101 667	107 896	107 594	115 783	119 255	121 520
Local government	111 103	118 488	122 986	138 528	138 093	146 098	148 423
Equitable share	55 614	60 758	65 627	84 483	77 999	83 085	83 570
Conditional grants	43 704	45 262	44 191	40 018	45 477	47 679	49 419
General fuel levy sharing with metros	11 785	12 469	13 167	14 027	14 617	15 335	15 433
Provisional allocation not assigned to votes ¹					11 645	32 093	33 219
Non-interest allocations	1 242 295	1 324 756	1 486 154	1 571 323	1 552 511	1 557 821	1 567 455
Percentage increase	7.2%	6.6%	12.2%	5.7%	-1.2%	0.3%	0.6%
Debt-service costs	162 645	181 849	204 769	232 852	269 741	308 013	338 591
Contingency reserves	–	–	–	–	12 000	5 000	5 000
Main budget expenditure	1 404 940	1 506 605	1 690 923	1 804 174	1 834 252	1 870 833	1 911 046
Percentage increase	7.6%	7.2%	12.2%	6.7%	1.7%	2.0%	2.1%
Percentage shares							
National departments	47.7%	47.9%	50.4%	51.2%	49.5%	48.3%	48.2%
Provinces	43.4%	43.2%	41.3%	40.0%	41.5%	42.2%	42.2%
Local government	8.9%	8.9%	8.3%	8.8%	9.0%	9.6%	9.7%

1. Support to Eskom, amounts for Budget Facility for Infrastructure projects and other provisional allocations

Source: National Treasury

Table W1.3 shows how changes to the baseline are spread across government. The new focus areas and baseline reductions are accommodated by shifting savings to priorities.

Table W1.3 Changes over baseline

R million	2021/22	2022/23
National departments	-5 566	-61 546
Provinces	-52 482	-87 347
Local government	-4 349	-5 347
Allocated expenditure	-62 397	-154 239

Source: National Treasury

Table W1.4 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 W1.4 Schedule 1 of the Division of Revenue Bill

R million	2021/22	2022/23	2023/24
	Allocation	Forward estimates	
National ¹	1 232 567	1 263 661	1 302 172
Provincial	523 686	524 088	525 304
Local	77 999	83 085	83 570
Total	1 834 252	1 870 833	1 911 046

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

Source: National Treasury

The 2021 *Budget Review* sets out in detail how constitutional considerations and government's priorities are taken into account in the division of revenue. It describes economic and fiscal policy considerations, revenue issues, debt and financing considerations, and expenditure plans. Chapter 6 focuses on provincial and local government financing.

■ Part 3: Response to the FFC's recommendations

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

- a) "An equitable division of revenue raised nationally, among the national, provincial and local spheres of government;
- b) the determination of each province's equitable share in 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 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 2021/22* to Parliament in July 2020. This year's theme is "sustainable financing of social and economic infrastructure and services". The 2021/22 recommendations cover the following areas: the intergovernmental fiscal system in the context of social services; economic and social development in the context of COVID-19; sustainable financing of South Africa's public healthcare system and national health insurance; and access to quality and inclusive social services for vulnerable groups.

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

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

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

Government's responses to the first and second categories are provided below. Recommendations that do not relate to the division of revenue have been referred to the officials to whom they were addressed – the Minister of Cooperative Governance and Traditional Affairs and the President of SALGA – and they will respond directly to the FFC. All the FFC recommendations can be accessed at www.ffc.co.za.

■ Recommendations that apply directly and indirectly to the division of revenue

Chapter 2: Intergovernmental Fiscal System in the Context of Social Services

Updating the provincial equitable share formula

The FFC recommends the following: “Government should consider balancing the current benefit of the simplicity in the PES [provincial equitable share] formula with a move towards improving the distribution of the overall formula by acknowledging the higher costs of providing services to vulnerable groups and the greater demand for services from certain demographic groups. The proportional distribution mechanism should remain in the PES, but higher weights should be considered for funding vulnerable groups in determining education and health components. This would not result in a change of the overall pool available for education and health, but rather acknowledge and explicitly fund provinces that face greater needs for education and health services given their socio-demographic profiles. This can be achieved as follows:

- In the education component, differentiate the school-age population by gender, income and location, and apply a higher weighting for funds for the vulnerable groups. This should be applied also to the data on learner enrolment.
- The output sub-component of the health component should differentiate between gender and age of the person using the health service. Higher weights for funding should be applied to persons over the age of 65, women aged between 15 and 49 and children below 5, than for males aged between 5 and 65.
- The respective weightings for specific groups should be determined by government and informed by consultations with the respective provinces.
- The poverty component in the current PES formula should be updated with the latest income and expenditure data from the 2014/15 Living Conditions Survey undertaken by Stats SA.”

Government response

Government agrees that an appropriate balance is needed in the provincial equitable share formula between simplicity and more complexity to capture differentiation among provinces. The ability to apply more differentiation in the formula is subject to credible and reliable information being available and officially endorsed. The current review of the provincial equitable share is evaluating ways to introduce more differentiation into the formula. Given that the FFC is part of the working group, it would be appreciated if it could provide more details on how the above suggestions for more detail in the formula can be practically implemented, bearing in mind the availability of official data to do so. This will provide the working group with an opportunity to assess the impact of allocations per province based on the suggested approaches.

With regard to the education and health components, the suggested differentiation approaches will be explored in collaboration with the national departments of basic education and health. The respective weightings for specific groups will be discussed in the working group, in which provincial treasuries are represented. With regard to the use of the 2014/15 Living Conditions Survey data in the provincial equitable share formula, one of the components that is being reviewed is the poverty component. Different

methodologies to account for poverty across the provinces are being explored, including replacing the 2010/11 Income and Expenditure Survey data with the 2014/15 Living Conditions Survey data. Preceding this, however, is the need to determine the appropriate purpose of the poverty component in the formula. The data used in the new poverty component needs to support that policy direction.

Costing specific norms and standards in the education and health sectors

The FFC recommends the following: “The departments of basic education and health should urgently pursue efforts to cost the current norms developed in education and healthcare. This should be done by incorporating the reporting of the costs of specific inputs in the delivery of provincial services through current provincial reporting formats. This would constitute the implementation of a ‘bottom-up’ approach to costing. Government should also use the methods outlined in this report to calculate cost estimates of specific norms and standards. These cost estimates should initially be used to determine provincial expenditure or under-expenditure performance and, in the long term, be considered for incorporation into the PES formula.”

Government response

Government acknowledges the benefits of costing the current norms developed in the education and health sectors and supports increased data-driven approaches to resource allocation in both sectors. In the health sector, for example, the National Treasury and the national Department of Health jointly commissioned several primary healthcare costing studies that included top-down, bottom-up and normative methods in 2016. These studies were based on the primary healthcare service package. The National Treasury has also commissioned a review of the health component of the provincial equitable share formula to ensure that it responds adequately to the need and demand for healthcare services. The main focus of the review is updating and refining the risk-adjustment component to ensure that variations in demographics, disease burden and geographical factors are better accounted for.

The incorporation of a “bottom-up approach to costing” into the provincial equitable share formula is, however, not supported. It runs the risk of basing allocations on inefficient spending practices as the basis of the costing would be actual spending rather than the set norms and standards for each service. A formula allocation that is meant to fund all provinces must use aggregates to a certain extent to arrive at fairer allocations. The exact cost of providing services differs for each province because of the various factors that influence the cost of providing those services. Therefore, the expectation that the cost parameters in an allocative formula should reflect the true cost of delivering services is unrealistic. At best, an allocative formula can consider all quantifiable cost drivers to arrive at a reasonable cost estimate. This is what the ongoing review intends to achieve and government will engage the FFC on its proposed approaches as part of this process.

Chapter 3: Economic and Social Development in the Context of COVID-19

Macroeconomic and fiscal framework

The FFC recommends the following: “The Minister of Finance should develop (and execute) a clear, coherent and comprehensive macroeconomic framework that is in line with the President’s economic and social support response package to COVID-19. The Minister should consider the position taken in the government document, ‘Towards an Economic Strategy for South Africa’, to strengthen the continuity, consistency and credibility of the economic and fiscal stance. These policy positions should be clearly represented in monetary figures, in the 2021/22 Appropriation Bill and Division of Revenue Bill for implementation in the forthcoming Money Bills as per section 77 of the Constitution.”

Government response

Government agrees with the need to align the macroeconomic framework with the President’s economic and social support response package to the COVID-19 pandemic. The 2020 MTBPS charted a course for South Africa’s economic recovery. Government’s central policy goals over the medium term are to position the economy for faster and broad-based economic growth and to return the public finances to a sustainable position.

Working with its social partners in business, labour and civil society, government has begun implementing an economic recovery plan, with immediate measures to boost confidence and investment, and longer-term reforms to promote sustained higher economic growth. Many of the reforms in the economic recovery plan are drawn from government's long-term structural reform agenda outlined in the *Economic Transformation, Inclusive Growth and Competitiveness: Towards a Growth Plan Strategy* paper that the National Treasury released in 2019.

The plan has four priority interventions: infrastructure rollout, energy generation, employment stimulus and supporting industrial growth. Parallel to this, government will implement structural reforms such as modernising network industries, reducing barriers to entry and increasing regional integration and trade. The National Treasury estimates that these reforms, combined with measures to create an enabling environment for small business and investment, can raise growth to over 3 per cent by 2030 and create over 1 million jobs.

The Infrastructure Fund will complement the economic recovery plan's focus on capital investments. Government has committed R100 billion over 10 years from 2019/20 (of which R18 billion is over the medium term) to this blended finance fund, which is designed to crowd in private-sector finance and expertise to support infrastructure delivery. To improve infrastructure planning and fast-track a project pipeline, an Investment and Infrastructure Office has been created in the Presidency.

To ensure successful implementation of the economic recovery plan, the Presidency and the National Treasury have established Operation Vulindlela, a joint initiative tasked with coordinating and accelerating the implementation of priority reforms. The initiative will be staffed by a full-time technical team that draws on additional expertise and capacity in the public and private sectors. This will ensure that possible delays are quickly identified and addressed and that implementation across different departments and entities is well coordinated and sequenced.

The 2021 *Budget Review* provides a more detailed account of the macroeconomic framework.

Transforming the economy

The FFC recommends the following: "After reviewing the economic situation leading up to the COVID-19 crisis, the Commission is convinced that a fundamental structural transformation of the economy is inevitable. Therefore, the ministers of finance, of economic development and trade and industry, and of labour should jointly address the economic barriers, social inequality, and societal polarisation by adopting a localised product value chain approach. The expression of this approach should be found in the incentive grants frameworks of both provincial and local conditional grants, as hard conditions to permit procurement of goods only if they are made or assembled locally within the South African borders, to stimulate the domestic economy and encourage job growth while taking international trade agreements into account."

Government response

Government agrees with the need to grant local producers priority in public procurement. An objective of the Public Procurement Bill is to advance economic opportunities for previously disadvantaged people, women, youth, people with disabilities and small businesses, and to promote local production. Government is committed to finalising the Public Procurement Bill during 2021/22 and reviewing the full range of national, provincial and municipal provisions. Amendments to conditional grant frameworks can only be considered once the bill is enacted and a preference points framework that is fair, equitable, transparent, competitive and cost-effective and promotes efficient administration is developed.

Boosting economic growth through provision of support to emerging farmers

The FFC argues that "with the right infrastructural and financial support from the state, emerging farmers can be catalysts for local economic development and growth with the added benefits of food security in facing the COVID-19 crisis. Hence, the Minister of Finance and the Minister of Cooperative Governance and Traditional Affairs should use reprioritised, consolidated funds to establish an indirect grant and task team for basic services and local economic development. The reprioritisation should be clearly stated in the money bills over the 2021 medium-term expenditure framework (MTEF)."

Government response

Government agrees that emerging farmers are critical for local economic development and growth and fostering food security, but does not support the introduction of an indirect grant for capacity building. A substantial amount of funds is already flowing through the *comprehensive agricultural support programme grant*, *Ilima/Letsema projects grants* and *land care programme grant* to support communities and newly established and emerging farmers with infrastructure, financial support and increased productivity. Furthermore, government intends to reduce the number of indirect grants in the provincial and local government grant systems. These undermine the subsidiarity outlined in the Constitution. Government and the beneficiaries of agriculture-related funding need to ensure that these funds are used optimally and that farmers are introduced to more innovative technological methodologies that can transform them into more competitive and economically active participants.

In the 2019 Budget, government introduced a blended finance instrument (grant and loan funding) with the aim of unlocking and enhancing agricultural production by black commercial producers. This is a joint initiative by the Department of Agriculture, Land Reform and Rural Development and the Land Bank. The instrument is designed to cover both long-term and medium-term loans and decrease the reliance on grant funding by using the grant funding to subsidise the cost of borrowing and increase access to loan facilities. The Department Agriculture, Land Reform and Rural Development provides technical support to farmers and sits on the funding forum that assesses and approves applications for grant funding.

Chapter 4: Sustainable Financing of South Africa’s Public Healthcare System and National Health Insurance

Enabling policy and legislative framework for public healthcare

The FFC recommends the following: “The ministers of health and finance must ensure that an enabling policy and legislative framework, aligned among the spheres of government, is put in place with due regard to setting norms and standards, and is enforced with proper oversight by the established technical committees. The Minister of Finance should include these deliberations in annexure W1 of the Division of Revenue Bill with implications on the bill, as well as the *Budget Review* document.”

Government response

Government agrees that clear and well-designed policies and legislative frameworks for the intergovernmental fiscal arrangements are critical for the successful implementation of healthcare. It has raised this issue in written inputs to the National Health Insurance White Paper and Bill and in engagements with the Department of Health, the Presidency and other key stakeholders. Any reforms to the provincial fiscal framework (health conditional grants and the health component of the provincial equitable share formula) to support the implementation of national health insurance reforms will strive to ensure that emerging expenditure responsibilities are appropriately provided for. Provinces will be consulted on potential reforms through appropriate intergovernmental fiscal forums, such as the Budget Council and Budget Forum. Details of these deliberations and reforms will be contained in annexure W1 of the annual Division of Revenue Bill.

Chapter 5: Putting the Last First: Vulnerability and Access to Quality and Inclusive Social Services

Strengthening funding for early childhood development centres

The FFC recommends the following: “Government should take urgent steps to strengthen funding for ECD [early childhood development] in South Africa. Particular priority should be given to funding all non-profit, non-centre-based ECD programmes serving quintiles 1 to 3. Related to this, the process and requirements for registration should be simplified, and specific and appropriate registration requirements for non-centre-based ECD programmes should be finalised with haste.”

Government response

Government agrees with this recommendation. The Department of Social Development is currently undertaking the Vangasali campaign, which aims to identify all unregistered ECD facilities across the country and prepare them for registration. The department will use the additional funding allocated to the *early childhood development grant* from the presidential employment initiative in 2020/21 to help ECD facilities register and to develop a database of registered and unregistered centres and practitioners.

To streamline the registration process, a new registration framework was piloted and will be implemented in phase 2 of the Vangasali campaign.

The subsidy component of the current ECD conditional grant framework subsidises non-centre-based services at a rate of R6 multiplied by the number of sessions, multiplied by the number of qualifying children attending as agreed to in the service-level agreement. A total of R1.5 billion was added to the ECD conditional grant in the 2020 MTEF budget to increase the subsidy for centre-based services.

Targeted support to non-profit ECD programmes

The FFC recommends the following: “Government should ensure further targeted support to non-profit ECD programmes in quintiles 1 to 3 focusing on infrastructure upgrades, to enable these centres to register and receive subsidies and for funding for basic early education equipment, which will enhance the early learning programme and prepare young children for formal schooling from Grade R to Grade 12, and beyond, into tertiary training.”

Government response

Government acknowledges that infrastructure that meets applicable norms and standards is a major barrier to the registration of ECD programmes. The ECD grant includes an infrastructure component that provides supplementary funding to provinces to support maintenance upgrades of unregistered and conditionally registered ECD centres in poor wards. This component was repurposed in 2020/21 to fund COVID-related expenses. For 2021/22, the component will return to supporting maintenance upgrades of ECD centres. Provinces are tasked with implementing the ECD function, so it is their responsibility to prioritise funding from their equitable share to provide additional support for their ECD programmes.

As part of phase 3 of the Vangasali campaign, the Department of Social Development will explore opportunities to enter into partnerships with donor organisations to help ECD programmes meet the infrastructure norms and standards for registration. Furthermore, the mechanisms for delivering the ECD function will be reviewed in line with the Department of Basic Education’s takeover in 2022/23.

Supporting inclusive education

The FFC recommends the following: “To support the implementation of inclusive education in South Africa, the DBE [Department of Basic Education] must spearhead the development of a holistic funding framework to ensure a uniform approach to funding learners with special educational needs, irrespective of the type of school they attend.”

Government response

Government acknowledges this recommendation. The Department of Basic Education is developing funding norms and standards for inclusive education. This ongoing process aims to provide a holistic funding framework and a uniform approach to funding learners with special education needs.

Part 4: Provincial allocations

Provincial government receives two forms of allocations from nationally raised revenue, the equitable share and conditional grants. Sections 214 and 227 of the Constitution require that an equitable share of nationally raised revenue be allocated to provincial government to provide basic services and perform its allocated functions. The equitable share is an unconditional transfer to provinces and constitutes their main source of revenue. Due to their limited revenue-raising abilities, provinces receive 41.9 per cent of

nationally raised revenue over the medium term. In addition, they receive conditional grants to help them fulfil their mandates. Transfers to provinces account for over 90 per cent of provincial revenue.

This section outlines national transfers to provinces for the 2021 MTEF period, including the fiscal consolidation measures announced in the 2020 MTBPS, and other changes that were effected after it was tabled, both to the equitable share and conditional grants. Having taken the revisions to the provincial fiscal framework into account, national transfers to provinces increase from R628.3 billion in 2020/21 to R639.5 billion in 2021/22. Over the MTEF period, provincial transfers will grow at an average annual rate of 1 per cent to R646.8 billion in 2023/24. Table W1.5 sets out the transfers to provinces for 2021/22. A total of R523.7 billion is allocated to the provincial equitable share and R115.8 billion to conditional grants.

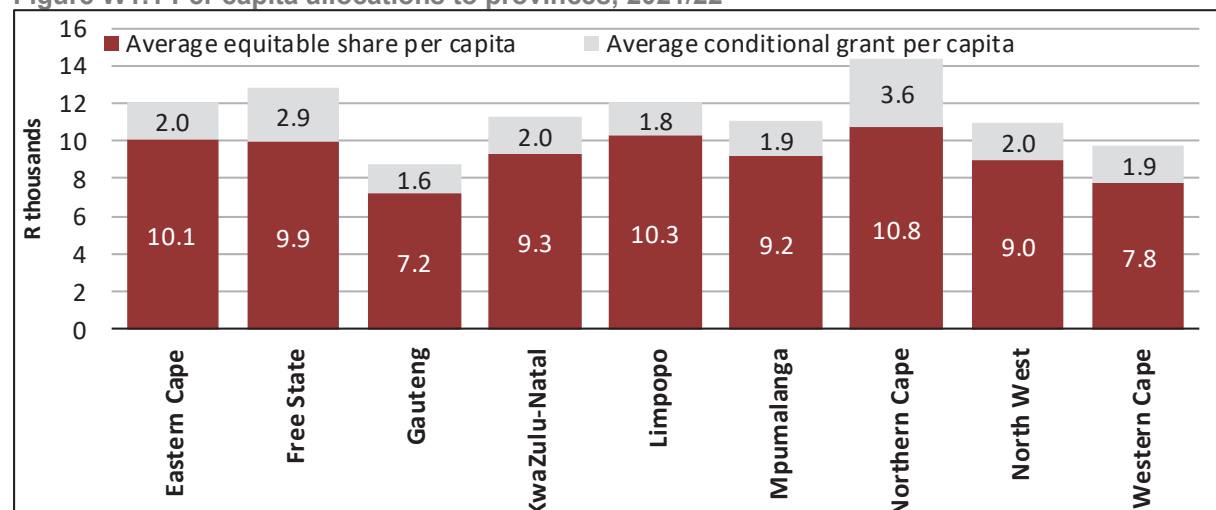
Table W1.5 Total transfers to provinces, 2021/22

R million	Equitable share	Conditional grants	Total transfers
Eastern Cape	68 060	13 296	81 357
Free State	29 055	8 459	37 514
Gauteng	111 429	24 968	136 398
KwaZulu-Natal	107 126	22 734	129 861
Limpopo	60 028	10 523	70 551
Mpumalanga	42 828	8 913	51 741
Northern Cape	13 919	4 685	18 604
North West	36 793	8 222	45 014
Western Cape	54 448	13 530	67 978
Unallocated		451	451
Total	523 686	115 783	639 469

Source: National Treasury

The provincial fiscal framework takes account of the different pressures facing each province and allocates larger per capita allocations to poorer provinces, and provinces with smaller populations.

Figure W1.1 Per capita allocations to provinces, 2021/22



Source: National Treasury

Changes to provincial allocations

For the 2021 MTEF period, revisions to the provincial fiscal framework reflect a combination of reprioritisations, reductions in compensation of employees and fiscal consolidation reductions in order to respond to the fiscal pressures faced by government while ensuring that provinces are able to deliver on their mandates. Table W1.6 provides a summary of the changes to the provincial fiscal framework.

Table W1.6 Revisions to direct and indirect transfers to provincial government

R million	2021/22	2022/23	2023/24	MTEF total revision
Technical adjustments	2	2	-	3
Direct transfers	92	2	-	93
Provincial equitable share:	1 714	2 100		3 813
Reversal of compensation				
Technical changes to direct conditional grants ¹	-1 622	-2 098	-	
Indirect transfers	-90	-	-	-90
Ilima/Letsema projects				-
National health insurance indirect	-90	-	-	-90
Additions to baselines	9 514	936	80	10 529
Provincial equitable share	8 000	-	-	8 000
HIV, TB, malaria and community outreach	1 500	900	-	2 400
Health facility revitalisation grant	14	36	80	129
Reductions to baselines	-60 707	-86 317	-69 132	-216 156
Direct transfers	-60 374	-86 184	-69 027	-215 585
Provincial equitable share	-58 303	-83 466	-64 095	-205 864
Comprehensive agricultural support programme	-44	-57	-104	-205
Ilima/Letsema projects	-17	-22	-39	-78
Land care programme: poverty relief and infrastructure development	-2	-3	-6	-11
HIV and AIDS (life skills education)	-10	-13	-24	-47
Maths, science and technology	-10	-13	-24	-47
Provincial disaster relief	-6	-8	-14	-27
HIV, TB, malaria and community outreach	-1 252	-1 655	-2 840	-5 747
Health facility revitalisation	-154	-155	-160	-469
Human resources and training grant	-72	-73	-255	-400
National health insurance	-12	-15	-28	-55
National tertiary services	-382	-560	-1 178	-2 120
Expanded public works programme integrated grants for provinces	-17	-23	-41	-81
Social sector expanded public works programme incentive for provinces	-17	-22	-40	-80
Community library services	-51	-67	-121	-239
Mass participation and sport development	-25	-32	-58	-114
Indirect transfers	-333	-132	-105	-571
School infrastructure backlogs	-12	-21	-303	-336
Total change to provincial government allocations				
Change to direct transfers	-50 769	-85 247	-68 947	-204 962
Change to indirect transfers	-423	-132	-105	-661
Net change to provincial government allocations	-51 192	-85 379	-69 052	-205 623

1. The conditional grants affected are in agriculture, education, health, sport, and transport sectors due to reprioritisations and compensation of employees reductions

Source: National Treasury

Transfers to provincial governments are reduced by R220 billion over the 2021 MTEF period, of which direct transfers are reduced by R219.4 billion and indirect transfers are reduced by R571 million. In the 2020 MTBPS reductions of R60 billion in 2021/22, R85.6 billion in 2022/23 and R64.1 billion in 2023/24 for the provincial equitable share were announced. These include reductions to compensation of employees to reduce the wage bill and reductions to meet fiscal consolidation objectives.

More recently, these reductions have been revised to take account of changes to both categories of reductions. An amount of R3.8 billion has been reallocated to the provincial equitable share as a result of compensation of employees reductions that should have been accounted for in conditional grants that fund compensation of employees. These reductions were initially included in the compensation of employees reductions made to the provincial equitable share, but have since been corrected. In addition, to make

provision for the reversal of reductions that were made to infrastructure allocations, changes were made to the allocations of other programmes in government, including the provincial equitable share.

An amount of R8 billion has been added to the provincial equitable share over the medium term to allow provinces to cover the costs of responding to the pandemic.

An amount of R140 million has been reprioritised from the *health facility revitalisation grant* and the *national health insurance indirect grant* towards the *human resources and training grant* to fund the shortfall of appointing medical interns funded within the conditional grant.

Table W1.6 reflects changes in the allocations of the conditional grants over the 2021 MTEF period, including reductions that have been made to conditional grant allocations. As part of efforts to redirect spending towards infrastructure, reductions that were made to conditional grants that fund infrastructure in the 2020 MTBPS have been reversed. Where reductions were made to allocations of conditional infrastructure grants, the following principles were applied:

- There is evidence of underspending in previous financial years.
- Service delivery will not be significantly affected if the conditional grant is reduced.
- The conditional grant is not being used to respond to the pandemic.

From 2021/22, the component that was created in the *human settlements development grant* for the upgrading of informal settlements will be a new stand-alone *informal settlements upgrading partnership grant*. Details on this change are provided under the section on conditional grants.

After accounting for these changes, the provincial equitable share grows at an average annual rate of 0.3 per cent over the MTEF period, while direct conditional grant allocations grow at an average annual rate of 4.1 per cent.

The provincial equitable share

The equitable share is the main source of revenue through which provinces are able to meet their expenditure responsibilities. To ensure that allocations are fair, the equitable share is allocated through a formula using objective data to reflect the demand for services across all nine provinces. For each year of the 2021 MTEF period, the following amounts are allocated to the provincial equitable share respectively: R523.7 billion, R524.1 billion and R525.3 billion.

The equitable share formula

The equitable share formula consists of six components that account for the relative demand of services and take into consideration the change of demographics in each of the provinces. The structure of the two largest components, education and health, is based on the demand and the need for education and health services. The other four components enable provinces to perform their other functions, taking into consideration population size of each province, the proportion of poor residents in each province, the level of economic activity and the costs associated with running a provincial administration. For the 2021 MTEF, the formula has been updated with data from Statistics South Africa's 2020 mid-year population estimates on population and age cohorts and the 2020 preliminary data published by the Department of Basic Education on school enrolment from the Learner Unit Record Information and Tracking System (LURITS) database. Data from the health sector, the 2018 General Household Survey for medical aid coverage and the Risk Equalisation Fund for the risk-adjusted capitation index is also used to update the formula. At the time of determining the equitable share for each province, the 2019 General Household Survey was not published, so data from the 2018 General Household Survey was used instead. This change was discussed in meetings held with the Technical Committee for Finance and the Budget Council, and endorsed by Cabinet.

Allocation changes tend to mirror shifts in population across provinces, which result in changes in the relative demand for public services across these areas. The impact of these data updates on the provincial equitable shares will be phased in over three years (2021/22 – 2023/24).

The provincial equitable share formula continues to be reviewed. Further details of this review are discussed in Part 6.

Summary of the formula's structure

The formula's six components, shown in Table W1.7, capture the relative demand for services across provinces and take into account specific provincial circumstances. The components are neither indicative budgets nor guidelines as to how much should be spent on functions. Rather, the education and health components are weighted broadly in line with historical expenditure patterns to indicate relative need. Provincial executive councils determine the departmental allocations for each function, taking into account the priorities that underpin the division of revenue.

For the 2021 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 five to 17) and the number of learners (Grades R to 12) enrolled in public ordinary schools.
- A *health component* (27 per cent), based on each province's risk profile and health system caseload.
- 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 activity component* (1 per cent), based on regional gross domestic product (GDP-R, measured by Statistics South Africa).

Table W1.7 Distributing the equitable shares by province, 2021 MTEF

	Education	Health	Basic share	Poverty	Economic activity	Institutional	Weighted average
	48.0%	27.0%	16.0%	3.0%	1.0%	5.0%	100.0%
Eastern Cape	13.7%	12.2%	11.3%	14.8%	7.7%	11.1%	12.7%
Free State	5.3%	5.4%	4.9%	5.1%	5.0%	11.1%	5.5%
Gauteng	19.9%	24.2%	26.0%	18.8%	34.3%	11.1%	21.7%
KwaZulu-Natal	21.5%	20.6%	19.3%	22.0%	16.0%	11.1%	20.4%
Limpopo	12.6%	9.9%	9.8%	13.0%	7.4%	11.1%	11.3%
Mpumalanga	8.3%	7.4%	7.8%	9.3%	7.5%	11.1%	8.2%
Northern Cape	2.3%	2.1%	2.2%	2.2%	2.1%	11.1%	2.6%
North West	6.8%	6.8%	6.9%	8.3%	6.4%	11.1%	7.1%
Western Cape	9.8%	11.4%	11.8%	6.5%	13.6%	11.1%	10.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: National Treasury

Education component (48 per cent)

The education component has two sub-components, accounting for school-age population (five to 17 years) and enrolment data. Each element is assigned a weight of 50 per cent.

As a result of the review of the provincial equitable share formula, the data used for the school-age population sub-component was changed. The use of Statistics South Africa's annual mid-year population estimates for the five-year-old to 17-year-old age cohort has been phased in over three years, from 2019/20 to 2021/22. This data is updated yearly, unlike the 2011 Census data, which was used to update the school-age population previously. This will help limit the shocks of updating the sub-component after a lag between Census updates. This change is now fully phased in. Table W1.8 shows the combined effect of updating the education component with new enrolment and age cohort data on the education component shares.

Table W1.8 Impact of changes in school enrolment on the education component share

	Age 5-17	School enrolment		Changes in enrolment data	Weighted average		Difference in weighted average
		2019	2020		2020 MTEF	2021 MTEF	
Thousand							
Eastern Cape	1 901	1 841	1 841	-0	14.0%	13.6%	-0.40%
Free State	724	714	718	4	5.3%	5.3%	-0.07%
Gauteng	2 965	2 440	2 500	60	19.4%	19.9%	0.49%
KwaZulu-Natal	3 034	2 841	2 864	23	21.6%	21.5%	-0.08%
Limpopo	1 680	1 753	1 758	5	12.7%	12.5%	-0.18%
Mpumalanga	1 165	1 095	1 107	13	8.4%	8.3%	-0.07%
Northern Cape	318	298	303	5	2.3%	2.3%	0.00%
North West	1 004	852	863	10	6.8%	6.8%	0.05%
Western Cape	1 449	1 186	1 240	55	9.5%	9.8%	0.26%
Total	14 240	13 021	13 195	174	100.0%	100.0%	-

Source: National Treasury

Health component (27 per cent)

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

The health component is presented in three parts below. Table W1.9 shows the shares of the risk-adjusted component, which accounts for 75 per cent of the health component.

Table W1.9 Risk-adjusted sub-component shares

	Mid-year population estimates	Insured population	Risk- adjusted index	Weighted population	Risk-adjusted shares		Change
					2020	2021	
Thousand	2020	2018			2020	2021	
Eastern Cape	6 734	10.0%	96.9%	5 870	11.9%	11.8%	-0.13%
Free State	2 929	16.2%	103.3%	2 534	5.1%	5.1%	0.00%
Gauteng	15 488	23.9%	105.4%	12 425	24.8%	24.9%	0.15%
KwaZulu-Natal	11 532	12.4%	98.9%	9 991	19.9%	20.0%	0.14%
Limpopo	5 853	8.2%	91.6%	4 923	10.2%	9.9%	-0.36%
Mpumalanga	4 680	12.6%	95.7%	3 914	7.8%	7.9%	0.04%
Northern Cape	1 293	16.1%	100.7%	1 092	2.2%	2.2%	0.02%
North West	4 109	13.5%	102.2%	3 634	7.2%	7.3%	0.04%
Western Cape	7 006	25.1%	104.0%	5 459	10.9%	11.0%	0.10%
Total	59 622	-	-	49 843	100.0%	100.0%	-

Source: National Treasury

The risk-adjusted sub-component estimates a weighted population in each province using the risk-adjusted capitation index, which is calculated using data from the Council for Medical Schemes' Risk Equalisation Fund. The percentage of the population with medical insurance, based on the 2018 General Household Survey, is deducted from the 2020 mid-year population estimates to estimate the uninsured population per province. The risk-adjusted index, which is an index of each province's health risk profile, is applied to the uninsured population to estimate the weighted population. Each province's share of this weighted population is used to estimate their share of the risk-adjusted sub-component. The column on the right in Table W1.9 shows the change in this sub-component between 2020 and 2021.

Table W1.10 Output sub-component shares

Thousand	Primary healthcare visits				Hospital workload patient-day equivalents			
	2018/19	2019/20	Average	Share	2018/19	2019/20	Average	Share
Eastern Cape	16 606	16 423	16 514	13.8%	4 388	4 296	4 342	13.3%
Free State	5 299	5 386	5 343	4.5%	2 126	2 171	2 148	6.6%
Gauteng	20 905	21 320	21 113	17.7%	7 467	7 649	7 558	23.2%
KwaZulu-Natal	28 525	28 365	28 445	23.8%	7 143	7 106	7 125	21.9%
Limpopo	14 336	14 344	14 340	12.0%	3 010	3 012	3 011	9.2%
Mpumalanga	9 253	9 225	9 239	7.7%	1 898	1 871	1 884	5.8%
Northern Cape	2 719	2 730	2 724	2.3%	573	586	580	1.8%
North West	7 446	7 708	7 577	6.3%	1 610	1 678	1 644	5.0%
Western Cape	14 083	14 357	14 220	11.9%	4 297	4 236	4 267	13.1%
Total	119 173	119 859	119 516	100.0%	32 512	32 605	32 559	100.0%

Source: National Treasury

The output sub-component (shown in Table W1.10) uses patient load data from the District Health Information Services. The average number of visits to primary healthcare clinics in 2018/19 and 2019/20 is calculated to estimate each province's share of this part of the output component, which makes up 5 per cent of the health component. For hospitals, each province's share of the total patient-day equivalents at public hospitals in 2018/19 and 2019/20 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 W1.11 shows the updated health component shares for the 2021 MTEF period.

Table W1.11 Health component weighted shares

Weight	Risk-adjusted	Primary healthcare	Hospital component	Weighted shares		Change
	75.0%	5.0%	20.0%	2020	2021	
Eastern Cape	11.8%	13.8%	13.3%	12.3%	12.2%	-0.13%
Free State	5.1%	4.5%	6.6%	5.3%	5.4%	0.05%
Gauteng	24.9%	17.7%	23.2%	24.0%	24.2%	0.19%
KwaZulu-Natal	20.0%	23.8%	21.9%	20.5%	20.6%	0.09%
Limpopo	9.9%	12.0%	9.2%	10.2%	9.9%	-0.30%
Mpumalanga	7.9%	7.7%	5.8%	7.5%	7.4%	-0.02%
Northern Cape	2.2%	2.3%	1.8%	2.1%	2.1%	0.02%
North West	7.3%	6.3%	5.0%	6.7%	6.8%	0.06%
Western Cape	11.0%	11.9%	13.1%	11.4%	11.4%	0.03%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	-

Source: National Treasury

Basic component (16 per cent)

The basic component derives from each province's share of the national population. This component constitutes 16 per cent of the total equitable share. For the 2021 MTEF, population data is drawn from the 2020 mid-year population estimates produced by Statistics South Africa. Table W1.12 shows how population changes have affected the basic component's revised weighted shares.

Table W1.12 Impact of the changes in population on the basic component shares

Thousand	Mid-year population estimates		Population change	% population change	Basic component shares		Change
	2019	2020			2020 MTEF	2021 MTEF	
Eastern Cape	6 712	6 734	22	0.3%	11.4%	11.3%	-0.13%
Free State	2 887	2 929	41	1.4%	4.9%	4.9%	-0.00%
Gauteng	15 176	15 488	312	2.1%	25.8%	26.0%	0.16%
KwaZulu-Natal	11 289	11 532	243	2.1%	19.2%	19.3%	0.13%
Limpopo	5 983	5 853	-130	-2.2%	10.2%	9.8%	-0.36%
Mpumalanga	4 592	4 680	88	1.9%	7.8%	7.8%	0.04%
Northern Cape	1 264	1 293	29	2.3%	2.2%	2.2%	0.02%
North West	4 027	4 109	82	2.0%	6.9%	6.9%	0.04%
Western Cape	6 844	7 006	161	2.4%	11.6%	11.8%	0.11%
Total	58 775	59 622	847	-	100.0%	100.0%	-

Source: National Treasury

Institutional component (5 per cent)

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

Poverty component (3 per cent)

The poverty component introduces a redistributive element to the formula and is assigned a weight of 3 per cent. For this component, the poor population is defined as people who fall into 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 of people in that province who fall into the poorest 40 per cent of South African households by the province's population figure from the 2020 mid-year population estimates. Table W1.13 shows the proportion of the poor in each province from the Income and Expenditure Survey, the 2020 mid-year population estimates and the weighted share of the poverty component per province.

Table W1.13 Comparison of current and new poverty component weighted shares

Thousand	Income and Expenditure Survey 2010/11	Current (2020 MTEF)			New (2021 MTEF)			Difference in weighted shares
		Mid-year population estimates 2019	Poor population	Weighted shares	Mid-year population estimates 2020	Poor population	Weighted shares	
Eastern Cape	52.0%	6 712	3 492	14.9%	6 734	3 504	14.8%	-0.1%
Free State	41.4%	2 887	1 195	5.1%	2 929	1 212	5.1%	0.0%
Gauteng	28.9%	15 176	4 381	18.7%	15 488	4 471	18.8%	0.2%
KwaZulu-Natal	45.3%	11 289	5 115	21.8%	11 532	5 225	22.0%	0.2%
Limpopo	52.9%	5 983	3 162	13.5%	5 853	3 094	13.0%	-0.5%
Mpumalanga	47.3%	4 592	2 170	9.3%	4 680	2 211	9.3%	0.1%
Northern Cape	40.8%	1 264	515	2.2%	1 293	527	2.2%	0.0%
North West	47.9%	4 027	1 929	8.2%	4 109	1 968	8.3%	0.1%
Western Cape	21.9%	6 844	1 496	6.4%	7 006	1 532	6.5%	0.1%
Total		58 775	23 457	100.0%	59 622	23 744	100.0%	-

Source: National Treasury

Economic activity component (1 per cent)

The economic activity component is a proxy for provincial tax capacity and expenditure assignments. Given that these assignments are a relatively small proportion of provincial budgets, the component is assigned a weight of 1 per cent. For the 2021 MTEF, 2018 GDP-R data is used. Table W1.14 shows the weighted shares of the economic activity component.

Table W1.14 Current and new economic activity component weighted shares

	Current (2020 MTEF)		New (2021 MTEF)		Difference in weighted shares
	GDP-R, 2017 (R million)	Weighted shares	GDP-R, 2018 (R million)	Weighted shares	
Eastern Cape	358 627	7,7%	375 489	7,7%	-0,0%
Free State	234 505	5,0%	243 139	5,0%	-0,1%
Gauteng	1 593 874	34,3%	1 672 745	34,3%	0,1%
KwaZulu-Natal	746 360	16,0%	778 763	16,0%	-0,1%
Limpopo	340 273	7,3%	359 885	7,4%	0,1%
Mpumalanga	348 987	7,5%	366 839	7,5%	0,0%
Northern Cape	96 487	2,1%	100 120	2,1%	-0,0%
North West	301 477	6,5%	313 645	6,4%	-0,0%
Western Cape	632 990	13,6%	663 276	13,6%	0,0%
Total	4 653 579	100,0%	4 873 899	100,0%	0,0%

Source: National Treasury

Full impact of data updates on the provincial equitable share

Table W1.15 shows the full impact of the data updates on the provincial equitable share per province, after the six updated components have been added together. It compares the target shares for the 2020 and 2021 MTEF periods. The size of each province's share reflects the relative demand for provincial public services in that province, and the changes in shares from 2020 to 2021 respond to changes in that demand. The details of how the data updates affect each component of the formula are described in detail in the subsections above.

Table W1.15 Full impact of data updates on the equitable share

	2020 MTEF weighted average	2021 MTEF weighted average	Difference
Eastern Cape	13.0%	12.7%	-0.2%
Free State	5.5%	5.5%	-0.0%
Gauteng	21.4%	21.7%	0.3%
KwaZulu-Natal	20.3%	20.4%	0.0%
Limpopo	11.5%	11.3%	-0.2%
Mpumalanga	8.2%	8.2%	-0.0%
Northern Cape	2.6%	2.6%	0.0%
North West	7.0%	7.1%	0.0%
Western Cape	10.4%	10.5%	0.1%
Total	100.0%	100.0%	0.0%

Source: National Treasury

Phasing in the formula

The annual updates to the official data used to calculate the provincial equitable share formula result in changes to each province's share of the available funds. These changes reflect the changing balance of service delivery demands among the provinces, and the annual data updates are vital to ensuring that allocations can respond to these changes. However, provinces need stable and predictable revenue streams to allow for sound planning. As such, the new shares calculated using the most recent data are phased in over the three-year MTEF period.

The equitable share formula data is updated every year and a new target share for each province is calculated, as shown in Table W1.16. The phase-in mechanism provides a smooth path to achieving the

new weighted shares by the third year of the MTEF period. It takes the difference between the target weighted share for each province at the end of the MTEF period and the indicative allocation for 2021/22 published in the 2020 MTEF, and closes the gap between these shares by a third in each year of the 2021 MTEF period. As a result, one third of the impact of the data updates is implemented in 2021/22 and two thirds in the indicative allocations for 2022/23. The updates are thus fully implemented in the indicative allocations for 2023/24.

Table W1.16 Implementation of the equitable share weights

Percentage	2021/22	2021/22	2022/23	2023/24
	Indicative weighted shares from 2020 MTEF	2021 MTEF weighted shares 3-year phasing		
Eastern Cape	13.1%	13.0%	12.9%	12.7%
Free State	5.6%	5.5%	5.5%	5.5%
Gauteng	21.1%	21.3%	21.5%	21.7%
KwaZulu-Natal	20.5%	20.5%	20.4%	20.3%
Limpopo	11.5%	11.5%	11.4%	11.3%
Mpumalanga	8.2%	8.2%	8.2%	8.2%
Northern Cape	2.6%	2.7%	2.7%	2.7%
North West	7.0%	7.0%	7.0%	7.1%
Western Cape	10.3%	10.4%	10.5%	10.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: National Treasury

Allocations calculated outside the equitable share formula

In addition to allocations made through the formula, the provincial equitable share includes allocations that have been determined using other methodologies. These allocations are typically introduced when a new function or additional funding is transferred to provinces and national government indicates separately how much funding has been allocated to each province for this specific purpose. Funds are also added through this approach when a priority has been identified through the national budget process and provincial government performs the function or when a conditional grant is absorbed into the equitable share.

For the 2021 MTEF, there are no new adjustments that are being allocated outside of the provincial equitable share formula. Table W1.17 provides a summary of the allocations made outside the provincial equitable share that carry through from previous financial years and a short description of how these amounts are allocated among provinces.

Table W1.17 Allocations outside the provincial equitable share formula

	2020/21	2021/22	2022/23	2023/24	Allocation criteria
R million	Adjusted budget	Medium-term estimates			
Food relief shift	67	71	75	78	Allocated equally among the provinces
Social worker employment grant shift	227	239	251	262	Allocated in terms of what provinces would have received had the grant continued
Substance abuse treatment grant shift	79	83	87	91	Allocated in terms of what provinces would have received had the grant continued
Municipal intervention support	89	93	97	102	Allocated equally among the provinces
Gender-based violence and sexually transmitted infections support shift	93	109	114	119	Allocated based on the non-profit organisations located in the 27 priority districts
Social worker additional support shift	113	139	146	153	Allocated according to areas of high prevalence of gender-based violence, substance abuse and issues affecting children
Sanitary Dignity Programme	209	217	226	236	Allocated proportionately based on the number of girl learners per province in quintiles 1 to 3 schools
Infrastructure delivery improvement programme shift	45	45	47	49	Allocated equally among the provinces
Total	921	997	1 042	1 088	

Source: National Treasury

Final provincial equitable share allocations

The final equitable share allocations per province for the 2021 MTEF period are detailed in Table W1.18. These allocations include the full impact of the data updates, phased in over three years, and the allocations that are made separately from the formula.

Table W1.18 Provincial equitable share

R million	2021/22	2022/23	2023/24
Eastern Cape	68 060	67 428	66 899
Free State	29 055	29 008	29 005
Gauteng	111 429	112 561	113 870
KwaZulu-Natal	107 126	106 928	106 895
Limpopo	60 028	59 621	59 306
Mpumalanga	42 828	42 798	42 835
Northern Cape	13 919	13 928	13 959
North West	36 793	36 939	37 144
Western Cape	54 448	54 876	55 390
Total	523 686	524 088	525 304

Source: National Treasury

Conditional grants to provinces

There are four types of provincial conditional grants:

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

Changes to conditional grants

The overall growth in direct conditional transfers to provinces averages 4.1 per cent over the medium term. Direct conditional grant baselines total R115.8 billion in 2021/22, R119.3 billion in 2022/23 and R121.5 billion in 2023/24. Indirect conditional grants amount to R4.4 billion, R4.9 billion and R4.9 billion respectively for each year of the same period.

Table W1.19 provides a summary of conditional grants by sector for the 2021 MTEF period. More detailed information, including the framework and allocation criteria for each grant, is provided in the 2021 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 grants' audited outcomes for 2019/20.

Table W1.19 Conditional grants to provinces

R million	2020/21 Revised estimate	2021/22	2022/23	2023/24	MTEF total
Agriculture, Land Reform and Rural Development	1 695	2 238	2 287	2 325	6 850
Comprehensive agricultural support programme	1 191	1 558	1 592	1 618	4 768
Ilima/Letsema projects	423	597	610	620	1 828
Land care programme: poverty relief and infrastructure development	81	83	85	86	255
Basic Education	17 216	20 701	21 649	22 583	64 932
Education infrastructure	8 787	11 689	12 229	12 768	36 687
HIV and AIDS (life skills education)	187	242	241	242	725
Learners with profound intellectual disabilities	243	243	249	260	753
Maths, science and technology	333	412	425	433	1 270
National school nutrition programme	7 666	8 115	8 504	8 879	25 498
Cooperative Governance	138	140	145	146	431
Provincial disaster relief	138	140	145	146	431
Health	52 107	52 062	53 068	52 617	157 747
HIV, TB, malaria and community outreach	27 222	27 585	27 910	27 090	82 585
Health facility revitalisation	6 315	6 445	6 886	7 235	20 566
National tertiary services	14 013	13 708	14 000	14 024	41 732
National health insurance grant: health professionals	246	269	272	272	813
Human resources and training grant	4 309	4 054	3 999	3 997	12 050
Human Settlements	15 454	17 604	18 305	19 112	55 020
Human settlements development	14 892	13 403	13 858	14 469	41 730
Title deeds restoration	163	–	–	–	–
Provincial emergency housing	400	311	326	340	977
Informal settlements upgrading partnership	–	3 890	4 121	4 303	12 314
Public Works and Infrastructure	834	837	858	861	2 556
Expanded public works programme integrated grant for provinces	421	422	433	435	1 290
Social sector expanded public works programme incentive for provinces	414	414	425	426	1 266
Social Development	1 411	1 057	1 192	1 242	3 491
Early childhood development	1 411	1 057	1 192	1 242	3 491
Sports, Arts and Culture	1 521	2 087	2 156	2 175	6 417
Community library services	1 153	1 496	1 554	1 571	4 620
Mass participation and sport development	368	591	602	604	1 797
Transport	17 217	19 057	19 596	20 460	59 113
Provincial roads maintenance	10 467	11 937	12 506	13 057	37 499
Public transport operations	6 750	7 121	7 090	7 403	21 614
Total direct conditional allocations	107 594	115 783	119 255	121 520	356 558
Indirect transfers	4 160	4 401	4 944	4 882	14 227
Agriculture, Land Reform and Rural Development	36	–	–	–	–
Ilima/Letsema indirect	36	–	–	–	–
Basic Education	2 415	2 284	2 403	2 079	6 765
School infrastructure backlogs	2 415	2 284	2 403	2 079	6 765
Health	1 710	2 118	2 541	2 803	7 462
National health insurance indirect	1 710	2 118	2 541	2 803	7 462

Source: National Treasury

Agriculture, land reform and rural development grants

The *comprehensive agricultural support programme grant* aims to support newly established and emerging farmers, particularly subsistence, smallholder and previously disadvantaged farmers. The grant funds a range of projects, including providing training, developing agro-processing infrastructure and directly supporting targeted farmers. Over the 2021 MTEF period, R4.8 billion is allocated to this grant,

and the baseline grows at an average annual growth rate of 10.8 per cent from R1.2 billion in 2020/21 to R1.6 billion in 2023/24. The reductions for this grant are equivalent to 3.8 per cent of the grant's baseline in 2021/22, 4.8 per cent in 2022/23 and 6 per cent in 2023/24.

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, R255 million is allocated to this grant. The reductions for this grant are equivalent to 3.1 per cent of the grant's baseline in 2021/22, 3.9 per cent in 2022/23 and 6 per cent in 2023/24.

The *Ilima/Letsema projects grant* aims to boost food production by helping previously disadvantaged farming communities. The grant's baseline is R1.8 billion over the 2021 MTEF period. Previously, the *Ilima/Letsema indirect grant* was created in this grant to make provision for the Department of Agriculture, Land Reform and Rural Development to pay the Human Sciences Research Council directly for a National Food and Nutrition Survey that is being conducted on behalf of provinces. The funds for *Ilima/Letsema indirect grant* are allocated until the end of 2020/21. The reductions for *Ilima/Letsema projects grant* are equivalent to 2.7 per cent of the grant's baseline in 2021/22, 3.4 per cent in 2022/23 and 6 per cent in 2023/24.

Basic education grants

The *education infrastructure grant* provides supplementary funding for ongoing infrastructure programmes in provinces. This includes maintaining existing infrastructure and building new infrastructure to ensure school buildings meet the required norms and standards. The grant's total allocation is R36.7 billion over the 2021 MTEF period. The reductions for this grant are equivalent to 0.2 per cent of the grant's baseline in 2021/22 and 0.2 per cent in 2022/23.

Provincial education departments have to go through a two-year planning process to be eligible to receive incentive allocations for infrastructure projects. To receive the 2021/22 incentive, the departments had to meet certain prerequisites in 2019/20 and have their infrastructure plans approved in 2020/21. The national Department of Basic Education and the National Treasury assessed the provinces' infrastructure plans. The national departments, provincial treasuries and provincial departments of basic education undertook a moderation process to agree on the final scores. Provinces needed to obtain a minimum score of 60 per cent to qualify for the incentive. Table W1.20 shows the final score and incentive allocation for each province.

Table W1.20 Education infrastructure grant allocations

R thousand	Planning assessment results from 2020	2021/22		Final allocation for 2021/22
		Basic component	Incentive component	
Eastern Cape	75%	1 562 877	78 100	1 640 977
Free State	79%	814 187	78 100	892 287
Gauteng	77%	1 511 108	78 100	1 589 208
KwaZulu-Natal	82%	2 042 392	78 100	2 120 492
Limpopo	75%	1 256 470	78 100	1 334 570
Mpumalanga	75%	1 083 375	78 100	1 161 475
Northern Cape	78%	555 245	78 100	633 345
North West	85%	1 080 384	78 100	1 158 484
Western Cape	91%	1 079 998	78 100	1 158 098
Total		10 986 036	702 900	11 688 936

Source: National Treasury

The national Department of Basic Education uses the indirect *school infrastructure backlogs grant* to replace unsafe and inappropriate school structures and to provide water, sanitation services and electricity on behalf of provinces. This grant is allocated R6.8 billion over the medium term in the Planning, Information and Assessment Programme. An allocation of R2.3 billion in 2021/22 will be used to replace

21 inappropriate and unsafe schools with newly built ones and provide appropriate sanitation services to 1000 schools.

The *national school nutrition programme grant* aims to improve the nutrition of poor school children, enhance their capacity to learn and increase their attendance at school. The programme provides a free daily meal to learners in the poorest schools (quintiles 1 to 3). To provide meals to more children, while still providing quality food, growth in the grant's allocations over the MTEF period averages 5 per cent, with a total allocation of R25.5 billion. Reductions to this grant are equivalent to 0.1 per cent of the grant's baseline in 2021/22 and 0.1 per cent in 2022/23.

The *maths, science and technology grant* provides for ICT, workshop equipment and machinery to schools, which should lead to better outcomes in maths and science in the long term. The grant's total allocation is R1.3 billion over the medium term. The reductions to this grant are equivalent to 2.5 per cent of the grant's baseline in 2021/22, 3.2 per cent in 2022/23 and 5.2 per cent in 2023/24.

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. The programme is fully integrated into the school system, with learner and teacher support materials provided for Grades 1 to 9. The grant's total allocation is R725 million over the medium term. The fiscal consolidation reductions to this grant are equivalent to 6.4 per cent of the grant's baseline in 2021/22, 8.1 per cent in 2022/23 and 8.9 per cent in 2023/24.

The *learners with profound intellectual disabilities grant* aims to expand access to education for these learners. Over the MTEF period, the grant will provide access to quality, publicly funded education to such learners by recruiting outreach teams. This grant has been allocated R753 million over the 2021 MTEF period. Reductions to this grant are equivalent to 5.3 per cent of the grant's baseline in 2021/22 and 6.1 per cent in 2022/23.

Cooperative governance grant

The *provincial disaster relief grant* is administered by the National Disaster Management Centre in the Department of Cooperative Governance. It is unallocated at the start of the financial year. The grant allows the National Disaster Management Centre to immediately release funds (in-year) after a disaster is classified, without the need for the transfers to be gazetted first (also see the discussion under Part 6). To ensure that sufficient funds are available in the event of a disaster, section 20 of the 2021 Division of Revenue Bill allows for funds allocated to the *municipal disaster relief grant* to be transferred to provinces if funds in the *provincial disaster relief grant* have already been exhausted, and vice versa. The bill also allows for more than one transfer to be made to areas affected by disasters so that an initial payment for emergency aid can be made before a full assessment of damages and costs has been completed. Over the 2021 MTEF period, R431 million has been allocated to the *provincial disaster relief grant*.

Health grants

In response to the ongoing COVID-19 pandemic, a new COVID-19 component was created in the *HIV, TB, malaria and community outreach services grant* in the 2020 special adjustments budget. The funds were only allocated in-year for 2020/21, with no additional funding being allocated for the 2021 MTEF.

South Africa is seeking to roll out COVID-19 vaccines as widely as possible during 2021, with the Minister of Health recently announcing plans to achieve herd immunity through vaccinations in three phases over the next 12 months. COVID-19 vaccinations will require close collaboration between the spheres of government. The national Department of Health will coordinate the vaccination campaign and be responsible for procuring and distributing vaccines across the country. Provincial departments will predominantly be responsible for administering the vaccines. To this end, R9 billion is allocated over two years, split between the national and provincial departments of health. The national Department of Health is allocated R6.6 billion for procuring and distributing the vaccines (which includes smaller amounts for other areas such as communication, training and monitoring and evaluation). Provinces are allocated R2.4 billion from the COVID-19 component within the *HIV, TB, malaria and community outreach grant* for the administration of the vaccine to subsidise the service delivery costs.

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 29 tertiary hospitals across the nine provinces and continues to fund medical specialists, equipment, and advanced medical investigation and treatment according to approved service specifications. Patient referral pathways often cross provincial borders and, as a result, many patients receive care in neighbouring provinces if the required services are unavailable in their home province. For the 2021 MTEF period, the national Department of Health has reprioritised R204 million within this conditional grant to develop and expand tertiary services in the Eastern Cape, Limpopo, Mpumalanga and the North West. The funds have been ring-fenced in the 2021/22 allocations for these provinces and left unallocated for 2022/23 and 2023/24. These developmental allocations will allow the provinces to develop their capacity in offering tertiary services within their facilities. A similar approach to allocating developmental funds is taken in the statutory human resources component of the *human resources and training grant* and further details on the amounts ring-fenced are discussed under this grant. The urban areas of Gauteng and the Western Cape continue to receive the largest share of the grant because they provide the largest proportion of high-level, sophisticated services.

The national Department of Health has reviewed the allocation criteria under the *national tertiary services grant* and is working with provinces to develop a new allocation model to ensure continued fairness in allocations. The grant is allocated R41.7 billion over the medium term: R13.7 billion in 2021/22, R14 billion in 2022/23 and R14 billion in 2023/24. The fiscal consolidation reductions to this grant are equivalent to 6.7 per cent of the grant's baseline in 2021/22, 8.5 per cent in 2022/23 and 7.7 per cent in 2023/24.

The *health facility revitalisation grant* funds the construction and maintenance of health infrastructure, 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. Over the 2021 MTEF period, R20.6 billion has been allocated to this grant. In 2019 the Budget Facility for Infrastructure evaluated two requests from the Western Cape Department of Health to fund the construction of the Tygeberg Regional Hospital and Klipfontein Hospital. The funding requests were approved and, included in the allocation of the grant is an addition of R129.4 million for these projects over the 2021 MTEF. The fiscal consolidation reductions to this grant are equivalent to 2.7 per cent of the grant's baseline in 2021/22, 2.6 per cent in 2022/23 and 2.2 per cent in 2023/24.

Like the *education infrastructure grant* discussed previously, a two-year planning process is also required for provinces to access this grant's incentive component. The national Department of Health and the National Treasury assessed the provinces' infrastructure plans. This was followed by a moderation process between the national departments, provincial treasuries and provincial departments of health to agree on the final scores. Provinces had to obtain a minimum score of 60 per cent to qualify for the incentive. Funds for the incentive component in the outer years are shown as unallocated. Table W1.21 sets out the final score and the incentive allocation per province.

Table W1.21 Health facility revitalisation grant allocations

R thousand	Planning assessment results from 2020	2021/22		Final allocation for 2021/22
		Basic component	Incentive component	
Eastern Cape	79%	622 222	63 366	685 588
Free State	77%	546 611	63 366	609 977
Gauteng	75%	902 505	63 366	965 871
KwaZulu-Natal	83%	1 184 364	63 366	1 247 730
Limpopo	75%	692 167	63 366	755 533
Mpumalanga	76%	393 699	63 366	457 065
Northern Cape	50%	379 637	–	379 637
North West	79%	555 556	63 366	618 922
Western Cape	98%	661 499	63 366	724 865
Total		5 938 260	506 928	6 445 188

Source: National Treasury

The *human resources and training grant* has two components and has been allocated R4.1 billion in 2021/22, R4 billion in 2022/23 and R4 billion in 2023/24. The training component funds the training of health sciences professionals, including specialists, registrars and their supervisors. The statutory human resources component funds intern and community service posts, as well as some posts previously funded from the equitable share. Over the 2021 MTEF period, similar to the *national tertiary services grant*, R76 million has been ring-fenced in the training component of this grant for the development and expansion of tertiary services in Eastern Cape, Limpopo, Mpumalanga Northern Cape and North West provinces. The funds have been allocated to these provinces for 2021/22, and are left unallocated for the outer two years of the MTEF period.

The *HIV, TB, malaria and community outreach grant* supports HIV/AIDS prevention programmes and specific interventions, including voluntary counselling and testing, prevention of mother-to-child transmission, post-exposure prophylaxis, antiretroviral treatment and home-based care. In the 2020 MTEF, the *human papillomavirus vaccine grant* was merged into the *HIV, TB, malaria, community outreach grant* and a separate component was created within the grant to continue funding human papillomavirus vaccinations. Two new components for mental health services and oncology are introduced in the grant in 2021/22, with funds reprioritised from the national health insurance: personal services component for the two outer years of the 2020 MTEF period. Over the 2021 MTEF period, the mental health services component is allocated R317 million and the oncology component is allocated R336 million. The grant's total baseline amounts to R82.6 billion over the medium term. The fiscal consolidation reductions to this grant are equivalent to 6.6 per cent of the grant's baseline in 2021/22, 8.1 per cent in 2022/23 and 9.5 per cent in 2023/24.

The *national health insurance indirect grant* continues to fund all preparatory work for universal health coverage, as announced in 2017/18. Over the 2021 MTEF period, this will be done through three components: health facility revitalisation and two integrated components (personal services and non-personal services). The personal services component funds priority services for national health insurance, which include:

- Expanding access to school health services, focusing on optometry and audiology.
- Contracting general practitioners based on a set annual amount per patient instead of fees per service provided.
- Providing community mental health services, maternal care for high-risk pregnancies, screening and treatment for breast and cervical cancer, hip and knee arthroplasty, cataract surgeries and wheelchairs.

Non-personal services will test, and scale up when ready, the technology platforms and information systems needed to ensure a successful transition to national health insurance. This component is allocated R2 billion over the medium term to continue funding initiatives to strengthen health information systems, clinics, and the dispensing and distribution of centralised chronic medicines. The indirect grant is allocated a total of R7.5 billion over the 2021 MTEF period. The fiscal consolidation reductions to this grant are equivalent to 12.7 per cent of the grant's baseline in 2021/22, 4.2 per cent in 2022/23 and 7.6 per cent in 2023/24.

Funds for contracting health professionals were previously shifted from the personal services component of the indirect grant to create a new direct *national health insurance grant*. The contracting of health professionals in former national health insurance pilot sites was previously administered at national level, but the contracting was being carried out at provincial level with the requirement that provinces submit claims for the costs they incurred. Transferring these funds to provinces allows them to pay contractors directly. The contracting of health professionals will continue to be funded in the direct *national health insurance grant* over the MTEF period through an allocation of R813 million.

Human settlements grants

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. Over the 2021 MTEF period, a total of R41.7 billion has been allocated to this grant. The fiscal consolidation reductions to this grant are equivalent to 0.1 per cent of the grant's baseline in 2021/22 and 0.1 per cent in 2022/23.

This grant is allocated using a formula with three components:

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

Table W1.22 shows how the *human settlements development grant* formula calculates the shares for each province and the metropolitan municipalities within the provinces. Section 12(6) of the Division of Revenue Act requires provinces to gazette how much they will spend within each accredited municipality (including the amounts transferred to that municipality and the amounts spent by the province in that municipal area). Funds for mining towns and disaster recovery are allocated separately from the formula.

Table W1.22 Human settlements development grant formula calculation

Components	Housing needs component	Poverty component	Population component	Grant formula shares
Description	Weighted share of inadequate housing	Share of poverty	Share of population	Weighted share of grant formula
Component weight	70.0%	20.0%	10.0%	
Eastern Cape	10.1%	13.7%	12.7%	11.1%
Nelson Mandela Bay	1.6%	2.1%	2.2%	1.8%
Buffalo City	2.2%	1.6%	1.5%	2.0%
Other Eastern Cape municipalities	6.3%	10.0%	9.0%	7.3%
Free State	5.9%	6.2%	5.3%	5.9%
Mangaung	1.4%	1.5%	1.4%	1.5%
Other Free State municipalities	4.4%	4.6%	3.9%	4.4%
Gauteng	30.9%	22.6%	23.7%	28.5%
Ekurhuleni	9.1%	6.2%	6.1%	8.2%
City of Johannesburg	10.5%	8.1%	8.6%	9.8%
City of Tshwane	6.8%	4.8%	5.6%	6.3%
Other Gauteng municipalities	4.5%	3.5%	3.4%	4.2%
KwaZulu-Natal	18.0%	18.9%	19.8%	18.3%
eThekweni	7.0%	6.2%	6.6%	6.8%
Other KwaZulu-Natal municipalities	11.0%	12.7%	13.2%	11.6%
Limpopo	4.4%	11.8%	10.4%	6.5%
Mpumalanga	6.2%	7.9%	7.8%	6.7%
Northern Cape	1.9%	2.1%	2.2%	2.0%
North West	10.0%	7.8%	6.8%	9.2%
Western Cape	12.7%	9.0%	11.2%	11.8%
City of Cape Town	9.3%	5.6%	7.2%	8.3%
Other Western Cape municipalities	3.4%	3.4%	4.0%	3.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: 2011 Census and General Household Survey

In 2019/20, the structure of the *human settlements development grant* was changed to intensify efforts to upgrade informal settlements in partnership with communities. To promote this objective, a new component was introduced with specific conditions relating to such upgrades. This component remained in

place in 2020/21, serving as a planning and preparatory platform for the introduction of a new *informal settlements upgrading grant: province* in 2021/22. This new stand-alone grant, which replaces the component, is allocated R12.3 billion over the 2021 MTEF period.

A total of R543 million is ring-fenced within the *human settlements development grant* in 2021/22 to upgrade human settlements in mining towns in six provinces. These allocations respond to areas with significant informal settlement challenges, with a high proportion of economic activity based on the natural resources sector.

The *human settlements development grant* previously had funds ring-fenced for the eradication of the pre-2014 title deeds registration backlog. Given the slow progress to date, along with the impairment it had on the functioning of the property market, the *title deeds restoration grant* was introduced to accelerate the backlog eradication process. The grant was introduced in 2018/19 and came to an end in 2020/21. It has been incorporated back into the *human settlements development grant* for 2021/22. Provinces must continue to eradicate their registration backlogs using funds from the *human settlements development grant*.

A *provincial emergency housing grant* was also introduced in 2018/19 to enable the department to rapidly respond to emergencies by providing temporary housing in line with the Emergency Housing Programme. However, the grant is limited to funding emergency housing following the immediate aftermath of a disaster, and not the other emergency situations listed in the programme. In 2019/20, the grant's purpose was expanded to fund the repair of houses damaged in disasters, if those repairs are cheaper than the grant's funding of relocating households to temporary shelter. Over the 2021 MTEF period, a total of R977 million has been allocated to this grant.

Public works and infrastructure grants

The *expanded public works programme (EPWP) integrated grant for provinces* incentivises provincial departments to use labour-intensive methods in infrastructure, environmental and other projects. Grant allocations are determined upfront based on the performance of provincial departments in meeting job targets in the preceding financial year. The grant is allocated R1.3 billion over the MTEF period. The fiscal consolidation reductions to this grant are equivalent to 4 per cent of the grant's baseline in 2021/22, 5 per cent in 2022/23 and 8.6 per cent in 2023/24.

The *social sector EPWP incentive grant for provinces* rewards provinces for creating jobs in the preceding financial year in the areas of home-based care, early childhood development, adult literacy and numeracy, community safety and security, and sports programmes. The grant's allocation model incentivises provincial departments to participate in the EPWP and measures the performance of each province relative to its peers, providing additional incentives to those that perform well. The grant is allocated R1.3 billion over the MTEF period. The fiscal consolidation reductions to this grant are equivalent to 4 per cent of the grant's baseline in 2021/22, 5 per cent in 2022/23 and 8.6 per cent in 2023/24.

Social development grants

The *early childhood development grant* supports government's prioritisation of early childhood development, as envisioned in the National Development Plan. The grant aims to improve poor children's access to early childhood programmes and ensure that early childhood development centres have adequate infrastructure. The grant baseline totals R3.5 billion over the 2021 MTEF period; the conditional grant has not been reduced. A portion of the funds allocated for the maintenance component of the grant, for the two outer years of the 2021 MTEF period, will remain unallocated as they will be informed by the outcomes of the infrastructure assessments that need to be conducted in each province. As a result, 81 per cent of the allocations in this component in 2022/23 and 72 per cent in 2023/24 remain unallocated.

Sports, arts and culture grants

The *community library services grant*, administered by the Department of Sports, Arts and Culture, aims to help South Africans access information to improve their socio-economic situation. The grant is allocated to the relevant provincial department and administered by that department or through a service-level

agreement with municipalities. In collaboration with provincial departments of basic education, the grant also funds libraries that serve both schools and the general public. Funds from this grant may also be used to enable the shift of the libraries function between provinces and municipalities. The grant is allocated R4.6 billion over the next three years. The fiscal consolidation reductions to this grant are equivalent to 5.6 per cent of the grant's baseline in 2021/22, 6.8 per cent in 2022/23 and 7.2 per cent in 2023/24.

The *mass participation and sport development grant* aims to increase and sustain mass participation in sport and recreational activities in the provinces, with greater emphasis on provincial and district academies. Over the MTEF period, an amount of R30 million each year has been reprioritised within this grant to support the Netball World Cup, which will be hosted in the Western Cape in 2023. The grant is allocated R1.8 billion over the medium term. The fiscal consolidation reductions to this grant are equivalent to 4.8 per cent of the grant's baseline in 2021/22, 6 per cent in 2022/23 and 8.7 per cent in 2023/24.

Transport grants

The *public transport operations grant* subsidises commuter bus services. It helps ensure that provinces meet their contractual obligations and provide services. Most of the contracts subsidised through this grant continue to operate on long-standing routes that link dormitory towns and suburbs established under apartheid to places of work. The grant allows provinces to renegotiate contracts and routes, and/or to devolve the function and funding to municipalities. This provides an opportunity for routes to be restructured in line with new settlement patterns and to promote more integrated urban development patterns in future. The grant is allocated R21.6 billion over the MTEF period.

The *provincial roads maintenance grant* is a supplementary grant that supports the cost of maintaining provincial roads. Provinces are expected to fund the construction of new roads from their own budgets and supplement the cost of maintaining and upgrading existing roads. Grant allocations are determined using a formula based on provincial road networks, road traffic and weather conditions. These factors reflect the varying 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.

The incentive portion of the grant is meant to be based on performance indicators relating to traffic loads, safety engineering and visual condition indicators. However, the Department of Transport was unable to provide updated data on the incentive calculation in time to determine incentive allocations for 2021/22. As a result, the full grant is allocated through the formula described above. The Department of Transport and the National Treasury agree that the grant should be used to incentivise improved performance in provincial roads departments and will work together in 2021 to revise the incentive component in time to determine allocations from the R1.7 billion unallocated incentive pool in 2022/23. The total allocation for the MTEF period is R37.5 billion.

■ Part 5: Local government fiscal framework and allocations

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 2021/22 budgets, and to promote better accountability and transparency by ensuring that all national allocations are included in municipal budgets. Over the 2021 MTEF period, R432.6 billion will be transferred directly to local government and a further R23.7 billion has been allocated to indirect grants. Direct transfers to local government over the medium term account for 9.4 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government increases to 10 per cent of national non-interest expenditure.

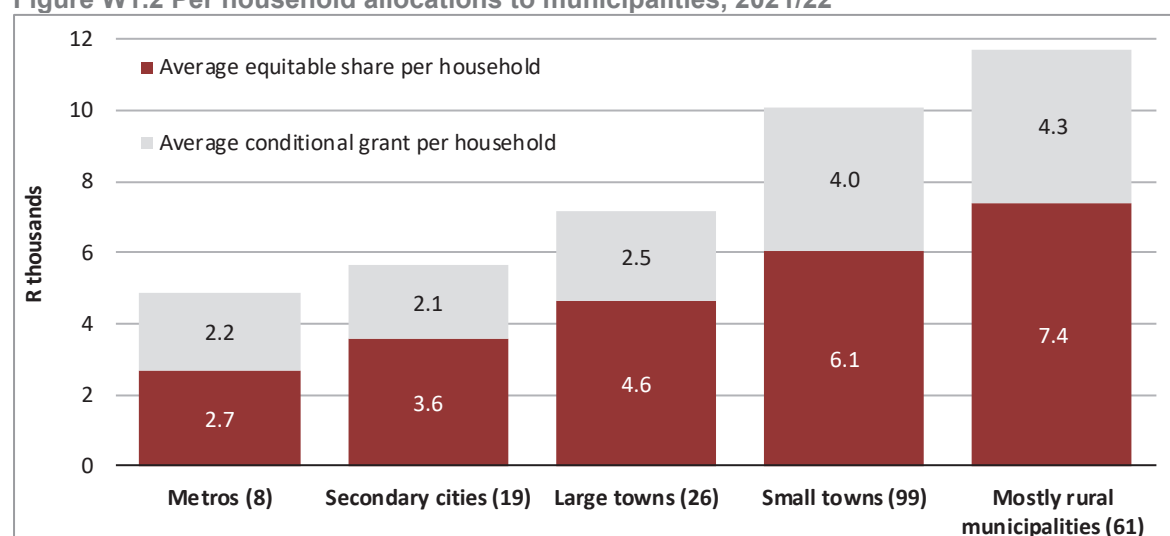
Table W1.23 Transfers to local government

R million	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Outcome			Revised estimate	Medium-term estimates		
Direct transfers	111 103	118 488	122 986	138 528	138 093	146 098	148 423
Equitable share and related	55 614	60 758	65 627	84 483	77 999	83 085	83 570
Equitable share formula ¹	49 928	55 072	59 301	77 863	71 028	75 795	75 964
RSC levy replacement	4 795	4 795	5 357	5 652	5 963	6 249	6 524
Support for councillor remuneration and ward committees	891	891	969	969	1 009	1 041	1 082
General fuel levy sharing with metros	11 785	12 469	13 167	14 027	14 617	15 335	15 433
Conditional grants	43 704	45 262	44 191	40 018	45 477	47 679	49 419
Infrastructure	41 596	43 568	42 322	37 905	43 143	45 267	46 977
Capacity building and other	2 107	1 694	1 870	2 113	2 333	2 412	2 442
Indirect transfers	7 803	7 887	7 024	6 865	7 055	8 200	8 481
Infrastructure	7 699	7 795	6 913	6 745	6 920	8 060	8 335
Capacity building and other	103	92	111	120	135	140	147
Total	118 905	126 375	130 010	145 393	145 148	154 298	156 904

1. Outcome figures for the equitable share reflect amounts transferred after funds have been withheld to offset underspending by municipalities on conditional grants. Rollover funds are reflected in the year in which they were transferred

Source: National Treasury

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. However, each municipality varies dramatically, 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. As a result, transfers per household to the most rural municipalities are more than twice as large as those to metropolitan municipalities.

Figure W1.2 Per household allocations to municipalities, 2021/22*

*Reflects funds allocated through Division of Revenue Bill. Allocations to district municipalities are reassigned to local municipalities where possible

Source: National Treasury

Changes to local government allocations

As a result of the reductions announced in the 2020 MTBPS, the growth in allocations to the local government equitable share is below inflation over the next three years. Conditional grants, however, grow above inflation.

The changes to each local government allocation are summarised in Table W1.24.

Table W1.24 Revisions to direct and indirect transfers to local government

	2021/22	2022/23	2023/24	2021 MTEF total revisions
R million				
Technical adjustments	-	-	-	-
Direct transfers	-	-	-	-
Municipal infrastructure	-15	-	-	-15
Integrated urban development	15	-	-	15
Reductions to baselines	-4 523	-5 402	-9 736	-19 661
Direct transfers	-4 349	-5 347	-9 697	-19 393
Local government equitable share	-3 063	-4 128	-7 487	-14 677
Local government equitable share	-3 063	-4 128	-7 487	-14 677
General fuel levy sharing with metros	-565	-750	-1 360	-2 676
Conditional grants	-721	-469	-850	-2 039
Municipal infrastructure	-329	-	-	-329
Integrated urban development	-21	-	-	-21
Public transport network	-282	-352	-639	-1 273
Rural roads asset management systems	-5	-6	-11	-21
Energy efficiency and demand-side management	-9	-12	-22	-43
Local government financial management	-23	-30	-54	-106
Expanded public works programme	-31	-41	-74	-146
Infrastructure skills development	-6	-8	-15	-30
Municipal disaster relief	-15	-20	-35	-70
Indirect transfers	-174	-55	-39	-268
Integrated national electrification programme	-170	-50	-30	-250
Neighbourhood development partnership grant (technical assistance)	-4	-5	-10	-19
Total change to local government allocations				
Change to direct transfers	-4 349	-5 347	-9 697	-19 393
Change to indirect transfers	-174	-55	-39	-268
Net change to local government allocations	-4 523	-5 402	-9 736	-19 661

Source: National Treasury

Technical adjustments in Table W1.24 summarise the shifting of funds between different local government allocations, but do not change the total amount allocated to local government. One technical change is made in 2021/22: a shift of R15 million from the *municipal infrastructure grant* to the *integrated urban development grant* for sport infrastructure for one of the participating intermediate cities.

The local government equitable share is reduced by R14.7 billion over the 2021 MTEF period as part of the fiscal consolidation measures announced in the 2020 MTBPS (R3.1 billion in 2021/22, R4.1 billion in 2022/23 and R7.5 billion in 2023/24). This reduction will affect the indicative allocations for individual municipalities.

Due to fiscal consolidation measures announced in the 2020 MTBPS, reductions to local government conditional grants were determined, taking account of the factors described in Part 2 of this annexure. The reductions to direct conditional grants to local government total R2 billion over the 2021 MTEF period. Of this amount, government redirected R329 million from the *municipal infrastructure grant* and R21 million from the *integrated urban development grant* to fund the once-off gratuity for non-returning councillors within the budget vote of the Department of Cooperative Governance in 2021/22. Indirect grants to local

government have been reduced by a total of R268 million over the medium term. The details are discussed later under individual 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 revenue raised through 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 with the least potential to cover these costs from their own revenues.

Over the 2021 MTEF period, the local government equitable share, including the Regional Service Council/Joint Service Board (*RSC/JSB*) *levies replacement grant* and *special support for councillor remuneration and ward committees grant*, amounts to R244.7 billion (R78 billion in 2021/22, R83.1 billion in 2022/23 and R83.6 billion in 2023/24). Due to fiscal consolidation measures announced in the 2020 MTBPS, the local government equitable share declines at an average annual rate of 0.4 per cent over the MTEF period.

Formula for allocating the local government equitable share

The portion 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 257 municipalities, using a formula to ensure objectivity (the horizontal division). The principles and objectives of the formula are 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 demographic and other data to determine each municipality's portion of the local government equitable share. It has three parts, made up of five components:

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

Each of these components is described in detail in the sub-sections that follow.

Structure of the local government equitable share formula

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

where

LGES is the local government equitable share

BS is the basic services component

I is the institutional component

CS is the community services component

RA is the revenue adjustment factor

C is the correction and stabilisation factor

The basic services component

This component helps municipalities provide free basic water, sanitation, electricity and refuse removal services to households that fall below an affordability threshold. Following municipal consultation, the formula's affordability measure (used to determine how many households need free basic services) is based on the level of two state old age pensions. When the 2011 Census was conducted, the state old age pension was worth R1 140 per month, which means that two 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. However, the proportion in each municipality varies widely. In 2021 terms, this monthly income is equivalent to about R3 852 per month. 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 the budget process.

The number of households per municipality, and the number below the poverty threshold, is updated annually. The number of households per municipality used to calculate indicative allocations for the outer years of the MTEF period is updated based on the growth experienced between the 2001 Census and the 2016 Community Survey. Provincial growth rates are then rebalanced to match the average annual provincial growth reported between 2002 and 2019 in the annual General Household Survey. Statistics South Africa has advised the National Treasury that, in the absence of official municipal household estimates, this is a credible method of estimating the household numbers per municipality needed for the formula. Statistics South Africa is researching methods for producing municipal-level data estimates, which may be used to inform equitable share allocations in future.

The proportion of households below the affordability threshold in each municipality is still based on 2011 Census data. This is because the 2016 Community Survey did not publish data on household income. The total number of households in each municipality is adjusted every year to account for growth. Although the share of households subsidised for free basic services through the formula remains constant, the number of households subsidised increases annually in line with estimated household growth.

The basic services subsidy is typically allocated to 100 per cent of households that fall below the poverty threshold. The subsidy is allocated to 96 per cent of households below the poverty threshold in 2021/22, 94 per cent in 2022/23 and 88 per cent in 2023/24. These adjustments are done to ensure that the effect of the reductions over the MTEF period is spread across all the components of the formula. While the formula will fund fewer households, the impact on service delivery should be minimal because municipalities have not yet extended the provision of free basic services to reach all poor households. The basic services subsidy will fund:

- 10.2 million households in 2021/22.
- 10.3 million households in 2022/23.
- 9.8 million households in 2023/24.

The basic services component provides a subsidy of R460.12 per month in 2021/22 for the cost of providing basic services to each of these households. The subsidy includes funding for the provision of free basic water (six kilolitres per poor household per month), energy (50 kilowatt-hours per month) and sanitation and refuse removal (based on service levels defined by national policy). The monthly amount provided for each service is detailed in Table W1.25 and includes an allocation of 10 per cent for service maintenance costs.

Table W1.25 Amounts per basic service allocated through the local government equitable share, 2021/22

	Allocation per household below affordability threshold (R per month)			Total allocation per service (R million)
	Operations	Maintenance	Total	
Energy	89.84	9.98	99.83	12 215
Water	140.16	15.57	155.73	19 055
Sanitation	100.15	11.13	111.28	13 616
Refuse removal	83.96	9.33	93.28	11 414
Total basic services	414.11	46.01	460.12	56 301

Source: National Treasury

The formula uses the fairest estimates of the average costs of providing each service that could be derived from available information. More details of how the costs were estimated can be found in the discussion paper on the proposed structure of the new local government equitable share formula, available on the National Treasury website. The per-household allocation for each of the basic services in Table W1.25 is updated annually based on the following factors.

The electricity cost estimate is made up of bulk and other costs. Bulk costs are updated based on the bulk multi-year price determination approved by the National Energy Regulator of South Africa. In March 2019, the regulator approved tariff increases of 9.4 per cent in 2019/20, 8.1 per cent in 2020/21 and 5.2 per cent in 2021/22. As the bulk price increase for 2021 were only be announced after the 2021 Budget was finalised. The equitable share formula continues to use the 9.9 per cent bulk tariff increase that was used when the baseline for this year was calculated in the 2020 MTEF period. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2020 MTBPS.

The water cost estimate is also made up of bulk and other costs. Bulk costs are updated based on the average increase in bulk tariffs charged by water boards (although not all municipalities purchase bulk water from water boards, their price increases serve as a proxy for the cost increases for all municipalities). The average increase in tariffs for bulk water from water boards in 2020/21 was 8.9 per cent. As the bulk price increase for 2021 will only be announced after the 2021 Budget is tabled, the equitable share formula continues to use the 9.9 per cent bulk tariff increase that was used when the baseline for this year was calculated in the 2020 MTEF period. Other costs are updated based on the National Treasury's inflation projections in the 2020 MTBPS.

The costs for sanitation and refuse removal are updated based on the National Treasury's inflation projections in the 2020 MTBPS.

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

The basic services component

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

Funding for each basic service is allocated to the municipality (metro, district or local) that is authorised to provide that service. If another municipality provides a service on behalf of the authorised municipality, it must transfer funds to the provider in terms of section 28 of the Division of Revenue Act. The basic services component is worth R56.3 billion in 2021/22 and accounts for 79.3 per cent of the value of the local government equitable share formula allocation.

The institutional component

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

In 2021/22, this component consists of a base allocation of R7.7 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 Minister of Cooperative Governance and Traditional Affairs determines the number of seats recognised for the formula). The base allocation acknowledges that there are some fixed costs that all municipalities face.

The institutional component

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

The institutional component accounts for 8.3 per cent of the equitable share formula and is worth R5.9 billion in 2021/22. This component is also complemented by special support for councillor remuneration in poor municipalities, which is not part of the equitable share formula.

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 revenue-raising abilities, a revenue adjustment factor is applied so that these municipalities receive a larger proportion of the allocation.

The allocation for this component is split between district and local municipalities, which both provide community services. In 2021/22, the allocation to district and metropolitan municipalities for municipal health and other services is R10.81 per household per month. The component's remaining funds are allocated to local and metropolitan municipalities based on the number of households in each municipality.

The community services component

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

The community services component accounts for 12.4 per cent of the equitable share formula and is worth R8.7 billion in 2021/22.

The revenue adjustment factor

The Constitution gives local government substantial 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 the funds assist municipalities that are least likely to be able to fund these functions from their own revenue.

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

- Total income of all individuals/households in a municipality (as a measure of economic activity and earning).
- Reported property values.

- Number of households on traditional land.
- Unemployment rate.
- Proportion of poor households as a percentage of the total number of households in the municipality.

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

The revenue adjustment factor is not based on the actual revenues municipalities collect, which ensures that this component does not create a perverse incentive for municipalities to under-collect revenue to receive a higher equitable share.

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

Correction and stabilisation factor

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

Ensuring the formula balances

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

Details of new allocations

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

Other unconditional allocations

RSC/JSB levies replacement grant

Before 2006, district municipalities raised levies on local businesses through a Regional Services Council (RSC) or Joint Services Board (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 *RSC/JSB levies replacement grant* is allocated R18.7 billion over the 2021 MTEF period.

In 2021/22, the grant increases by 6.6 per cent for district municipalities authorised for water and sanitation and 2.2 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 2021/22 is R1 billion, calculated separately to the local government equitable share and in addition to the funding for governance costs provided in the institutional component. The level of support for each municipality is allocated based on a system gazetted by the Minister of Cooperative Governance and Traditional Affairs, which classifies municipal councils into six grades based on their total income and population size. Special support is provided to the lowest three grades of municipal councils (the smallest and poorest municipalities).

A subsidy of 90 per cent of the gazetted maximum remuneration for a part-time councillor is provided for every councillor in grade 1 municipalities, 80 per cent for grade 2 municipalities and 70 per cent for grade 3 municipalities. In addition to this support for councillor remuneration, each local municipality in grades 1 to 3 receives an allocation to provide stipends of R500 per month to 10 members of each ward committee in their municipality. Each municipality's allocation for this special support is published in the Division of Revenue Bill appendices.

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 R45.5 billion in 2021/22 to R47.7 billion in 2022/23 and R49.4 billion in 2023/24.

There are four types of local government conditional grants:

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

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 R158.7 billion over the 2021 MTEF period.

Table W1.26 Infrastructure grants to local government

R million	2017/18	2018/19 Outcome	2019/20	2020/21 Revised estimate	2021/22	2022/23	2023/24
					Medium-term estimates		
Direct transfers	41 596	43 568	42 322	37 905	43 143	45 267	46 977
Municipal infrastructure	15 891	15 288	14 816	14 491	15 593	16 852	17 595
Integrated urban development	–	–	857	936	1 009	1 075	1 123
Urban settlements development	11 382	11 306	11 655	10 572	7 405	7 352	7 676
Informal settlements upgrading partnership	–	–	–	–	3 945	4 181	4 365
Public transport network	6 107	6 287	6 370	4 389	6 515	6 767	6 794
Neighbourhood development partnership	658	569	592	479	567	593	619
Integrated national electrification programme	2 087	1 904	1 860	1 359	2 003	2 119	2 212
Rural roads asset management systems	107	108	114	108	110	115	115
Regional bulk infrastructure	1 829	1 963	2 029	2 006	2 156	2 281	2 381
Water services infrastructure	3 305	4 777	3 669	3 368	3 620	3 701	3 864
Municipal disaster recovery	26	1 151	133	–	–	–	–
Energy efficiency and demand-side management	203	215	227	196	221	231	232
Indirect transfers	7 699	7 795	6 913	6 745	6 920	8 060	8 335
Integrated national electrification programme	3 846	3 262	3 124	1 983	2 824	3 638	3 821
Neighbourhood development partnership	28	29	50	63	91	101	101
Water services infrastructure	852	1 616	644	591	730	771	805
Regional bulk infrastructure	2 974	2 887	3 094	4 108	3 275	3 550	3 607
Total	49 296	51 363	49 235	44 650	50 063	53 327	55 312

Source: National Treasury

Municipal infrastructure grant

The largest infrastructure transfer to municipalities 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 grant's baseline is reduced by R344 million in 2021/22. This reduction includes an amount of R15 million shifted to the *integrated urban development grant* to fund sport infrastructure in Polokwane Local Municipality and an amount of R329 million that has been reprioritised to fund a once-off councillor gratuity for non-returning councillors. The total allocations for this grant amount to R50 billion over the 2021 MTEF period and grow at an average annual rate of 6.7 per cent.

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.

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

C Constant to ensure a 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 (including sport infrastructure)

E Allocation for social institutions and micro-enterprise infrastructure

N Allocation to the 27 priority districts identified by government

Allocations for the water and sanitation sub-components of the basic services component 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. The formula considers poor households without access to services that meet sector standards to be a backlog.

Data used in the municipal infrastructure grant formula

Component	Input for horizontal calculation	Proxy used in 2021 (corresponding with data available from 2011 Census)
B	Number of water backlogs	Water access: poor household ¹ report having access to piped water either inside their dwelling, in the yard or within 200 metres of their dwelling)
	Number of sanitation backlogs	Sanitation access: poor household report flush toilet, chemical toilet, pit toilet with ventilation (VIP) or ecological toilet)
	Number of roads backlogs	Roads backlog: number of poor households
	Number of other backlogs	Refuse access: poor households reports that refuse is mainly removed by local authorities or a private company once a week (urban, traditional, and farms). It should be noted that acceptable service standards differ in areas. For traditional and farms the following additions apply: removed by local authority/private company/community members less often than once a week: communal refuse dump: and communal contained/central collection point. For farms the following further additions applies: own refuse dump
P	Number of poor households	Number of poor households
E	Number of poor households	Number of poor households
N	Number of households in nodal areas	Allocated to the 27 priority districts identified by Cabinet as having large backlogs. Allocation is based on total households (not poor households)

1. Poor household defined (income of less than R2 300 per month in 2011 Census data)

Table W1.27 sets out the proportion of the grant accounted for by each component of the formula.

The constant component provides a R5 million base to all municipalities receiving *municipal infrastructure grant* allocations.

Table W1.27 Municipal infrastructure grant allocations per sector

Municipal infrastructure grant (formula)	Component weights	Value of component 2020/21 (R million)	Proportion of municipal infrastructure grant per sector
B-component	75.0%	10 657	68.3%
Water and sanitation	72.0%	7 673	49.2%
Roads	23.0%	2 451	15.7%
Other	5.0%	533	3.4%
P-component	15.0%	2 131	13.7%
Sports	33.0%	703	4.5%
E-component	5.0%	710	4.6%
N-component	5.0%	710	4.6%
Constant		1 130	7.2%
Ring-fenced funding for sport infrastructure		253	1.6%
Total		15 593	100.0%

Source: National Treasury

The *municipal infrastructure grant* includes an amount allocated outside of the grant formula and earmarked for specific sport infrastructure projects identified by the Department of Sports, Arts and Culture. These earmarked funds amount to R759 million over the MTEF period (R253 million in each year of the 2021 MTEF period). In addition, municipalities are required to spend a third of the P-component (equivalent to 4.5 per cent of the grant) on sport and recreation infrastructure identified in their own integrated development plans. Municipalities are also encouraged to increase their investment in other community infrastructure, including cemeteries, community centres, taxi ranks and marketplaces.

From 2021/22, municipalities will be allowed to use up to 5 per cent of their allocations to fund the development of infrastructure asset management plans. This is a pragmatic approach to building the necessary asset management capabilities in municipalities. It allows for phased-in and systematic reforms to incentivise municipalities to start appropriately budgeting for the repairs and maintenance of municipal infrastructure. To make use of this provision, municipalities will need to submit a business plan to the Department of Cooperative Governance, accompanied by a copy of its audited asset register. The business plan will also have to be endorsed by the relevant national department.

Integrated urban development grant

The *integrated urban development grant* is allocated to selected urban local municipalities in place of the *municipal infrastructure grant*. The grant recognises that municipalities differ in terms of their context and introduces a differentiated approach to encourage integrated development in cities. It is intended to:

- Support spatially aligned public infrastructure investment that will lead to functional and efficient urban spaces.
- Enable and incentivise municipalities to invest more non-grant funding in infrastructure projects in intermediate cities.

The grant extends some of the fiscal reforms already implemented in metropolitan municipalities to non-metropolitan cities and is administered by the Department of Cooperative Governance.

Municipalities must meet certain criteria and apply to receive the *integrated urban development grant* instead of the *municipal infrastructure grant* in terms of a process set out in section 26 (5) of the Division of Revenue Act. The qualification criteria cover the following areas:

- Management stability (low vacancy rates among senior management).
- Audit findings.
- Unauthorised, irregular, fruitless and wasteful expenditure.
- Capital expenditure.

- Reporting in terms of the Municipal Finance Management Act.

To remain in the grant, cities must continue to meet or exceed the entry criteria. If they do not do so, they will be placed on a performance improvement plan. If they still do not meet the criteria in the subsequent year, they will shift back to receiving grant transfers through the *municipal infrastructure grant*, which comes with closer oversight and support from national and provincial departments. The base allocations a municipality receives through the *municipal infrastructure grant* and the *integrated urban development grant* will be the same and are determined in terms of the *municipal infrastructure grant* formula described above.

In addition to the basic formula-based allocation, municipalities participating in the *integrated urban development grant* are also eligible to receive a performance-based incentive component, which is based on performance against the weighted indicators set out below.

Performance-based component weighted indicators for integrated urban development grant			
Indicator	Purpose	Weight	Scores
1. Non-grant capital as a percentage of total capital expenditure	Encourages cities to increase their capital investment funded through own revenue and borrowing	40%	1 if 70% or higher 0 if 30% or lower Linear scale in between
2. Repairs and maintenance expenditure as percentage of operating expenditure	Rewards cities that take good care of their existing asset base	30%	1 if 8% or higher
3. Asset management plan	Must have a plan in place that has been approved by municipal council and updated in the last three years	30%	1 if yes for all three 0 if no for any of the three
4. Land-use applications in priority areas	Due to the lack of available data, these indicators, which are intended to reward spatial targeting of investment, remain dormant in 2021/22		1 if 50% or higher 0 if 10% or lower
5. Building plan applications in priority areas	Due to the lack of available data, these indicators, which are intended to reward spatial targeting of investment, remain dormant in 2021/22		Linear scale in between

The total allocations for this grant amount to R3.2 billion over the 2021 MTEF period and grow at an average annual rate of 5.8 per cent. These allocations include a net reduction of R6 billion in 2021/22, following an addition of R15 million for sport infrastructure in Polokwane Municipality and R21 billion reprioritised from the grant to fund a once-off councillor gratuity for non-returning councillors.

Table W1.28 Formula for integrated urban development grant incentive component

	Planning allocation (R 000)	Performance incentive					Total incentive (R 000)	Total for incentive and planning (R 000)
		Non-grant capital as percentage of total capital spend	Maintenance spend	Asset management plan	Land use and building plans in priority areas	Weighted score		
uMhlathuze	3 393	30%	10%	20%	–	14%	18 075	21 468
Drakenstein	1 110	20%	20%	30%	–	17%	21 088	22 198
Mogale City	3 719	10%	20%	20%	–	12%	15 063	18 782
Polokwane	11 209	10%	10%	20%	–	10%	12 050	23 259
Ray Nkonyeni	1 951	10%	20%	–	–	7%	9 038	10 989
Sol Plaatje	1 576	10%	30%	–	–	10%	12 050	13 627
Stellenbosch	1 130	30%	10%	20%	–	14%	18 075	19 206
Steve Tshwete	1 574	30%	10%	30%	–	17%	21 088	22 662
Total	25 662					100%	126 528	152 190

Source: Department of Cooperative Governance

Urban settlements development grant

The *urban settlements development grant* is an integrated source of funding for infrastructure for municipal services and upgrades to urban informal settlements in the eight metropolitan municipalities. It is allocated as a supplementary grant to cities (schedule 4, part B of the Division of Revenue Act), which means that municipalities are expected to use a combination of grant funds and their own revenue to develop urban infrastructure and integrated human settlements. Cities report their progress on these projects against the targets set in their service-delivery and budget implementation plans. Since 2019/20, cities have been required to report in line with the requirements of the Municipal Finance Management Act Circular 88. This is the result of a process led by the National Treasury to rationalise and streamline built environment reporting for the eight metropolitan municipalities. Cities report on one agreed set of indicators used by multiple stakeholders to monitor progress on the integrated and functional outcomes, rather than reporting separately to each department.

The grant is allocated R22.4 billion over the medium term. The allocation per municipality is based on the *municipal infrastructure grant* formula. Up to 3 per cent of the grant may be used to fund municipal capacity in the built environment in line with the Department of Human Settlements' capacity-building guideline. This grant no longer has an informal settlements upgrading component as the new *informal settlements upgrading partnership grant* is introduced in 2021/22.

Informal settlements upgrading partnership grant

Upgrading informal settlements remains a priority over the medium term. This is an inclusive process through which informal residential areas are incrementally improved, formalised and incorporated into the city or neighbourhood by extending land tenure security, infrastructure and services to residents of informal settlements. As discussed under the *human settlements development grant* in Part 4, a component was introduced in 2019/20 for this purpose. The component served as a planning and preparatory platform for the introduction of a new *informal settlements upgrading partnership grant* in 2021/22. The component set a minimum amount for each city to spend on informal settlement upgrades and required cities to work in partnership with communities to develop and complete their informal settlements upgrading strategies.

The new *informal settlements upgrading partnership grant* is introduced with an allocation of R3.9 billion in 2021/22, R4.2 billion in 2022/23 and R4.4 billion in 2023/24.

Programme and project preparation support grant

The *integrated city development grant* has been repurposed to support metropolitan municipalities in developing a pipeline of investment-ready capital programmes and projects. This will be done by

establishing and institutionalising an effective and efficient system of programme and project preparation and the allocation of a growing level of municipal resources for preparation activities. Accordingly, in 2021/22 the grant will be renamed the *programme and project preparation support grant*. The renamed grant is allocated R1 billion over the 2021 MTEF period and grows at an average annual rate of 5.9 per cent.

Over the MTEF period, the National Treasury will work on finalising the consolidation of this grant with the *neighbourhood development partnership grant*. This is intended to streamline support provided to programme and project preparation in municipalities, improve the efficiency and effectiveness of grant administration within the department, and reduce the reporting requirements for municipalities.

Public transport network grant

The *public transport network grant*, administered by the Department of Transport, helps cities create or improve public transport systems in line with the National Land Transport Act (2009) and the Public Transport Strategy. This includes all integrated public transport network infrastructure, such as bus rapid transit systems, conventional bus services, and pedestrian and cycling infrastructure. The grant also subsidises the operation of these services. It is allocated R20.1 billion over the medium term. The grant has been reduced by R282 million in 2021/22 and R352 million in 2022/23 and R639 million in 2023/24. These fiscal consolidation reductions to this grant are equivalent to 4.1 per cent of the grant's baseline in 2021/22, 4.9 per cent in 2022/23 and 8.6 per cent in 2023/24.

The allocations for this grant are determined through a formula, which determines 95 per cent of the allocations, and a performance-based incentive component introduced in 2019/20, which accounts for the remaining 5 per cent. The formula increases certainty about the extent of national funding that municipalities can expect when planning their public transport networks, and encourages cities to make more sustainable public transport investments.

To qualify for an allocation from the performance incentive, a city must have an operational municipal public transport system approved by the national Department of Transport and it must have spent more than 80 per cent of its grant allocation in the previous financial year. Incentive allocations are then calculated based on the coverage of costs from fares, passenger trips and the city's own financial commitment to the system. Cities must exceed the minimum threshold in at least one of these three indicators. The calculation of the performance incentive allocations for 2021/22 is set out in Table W1.29. The raw scores for the cities are weighted using the sum of the base and formula components to account for the size of the city.

Table W1.29 Public transport network grant

	Oper- ational public transport system	Grant spent in 2019/20	Eligible for incentive	Coverage of direct costs from farebox	Average weekday passenger trips (% of population)	City's contri- bution (% of property rates)	Raw scores for incentive	Incentive allocation for 2021/22 (R 000)
Minimum threshold	Yes	80%		35.0%	1.0%	2.0%		
Buffalo City	No	100%	No	0.0%	0.00%	0.0%	–	–
City of Cape Town	Yes	96%	Yes	29.2%	1.08%	6.1%	0.147	121 950
City of Johannesburg	Yes	89%	Yes	25.3%	0.78%	3.8%	0.063	70 703
City of Tshwane	Yes	93%	Yes	11.4%	0.48%	2.0%	0.001	939
Ekurhuleni	Yes	100%	Yes	4.9%	0.06%	0.8%	–	–
eThekweni	No	94%	No	0.0%	0.00%	0.0%	–	–
George	Yes	100%	Yes	21.6%	5.07%	5.2%	0.437	60 486
Mangaung	No	100%	No	0.0%	0.00%	0.0%	–	–
Mbombela	No	97%	No	0.0%	0.00%	0.0%	–	–
Msunduzi	No	142%	No	0.0%	0.00%	0.0%	–	–
Nelson Mandela Bay	Yes	68%	No	16.0%	0.41%	2.5%	-	-
Polokwane	No	95%	No	0.0%	0.00%	0.0%	–	–
Rustenburg	No	43%	No	0.0%	0.00%	0.0%	–	–
Total							0.648	254 078

Source: National Treasury

In the formula for the grant, a base component accounts for 20 per cent of total allocations and is divided equally among all participating cities – this ensures that smaller cities in particular have a significant base allocation to run their transport system regardless of their size. The bulk of the formula (75 per cent) is allocated based on three demand-driven factors, which account for the number of people in a city, the number of public transport users in a city (the weighting of train commuters is reduced as trains are subsidised separately through the Passenger Rail Authority of South Africa) and the size of a city's economy.

Table W1.30 sets out how the final allocation for each municipality is determined, taking account of both the formula and incentive components.

Table W1.30 Formula for the public transport network grant

	Base 20%	Demand-driven factors 75%			Subtotal: base and demand- driven factors	Performance 5%	100%
	Equally shared	Population compo- nent shares	Regional gross value added compo- nent shares	Public transport users compo- nent shares		Incentive component (R 000)	Grant allocations ¹ (R 000)
Buffalo City ²	7.7%	3.3%	2.8%	3.1%	0.0%	–	–
City of Cape Town	7.7%	16.3%	15.8%	13.9%	15.2%	121 950	855 640
City of Johannesburg	7.7%	19.3%	25.2%	20.5%	20.6%	70 703	1 064 862
City of Tshwane	7.7%	12.7%	15.0%	14.0%	14.0%	939	675 462
Ekurhuleni	7.7%	13.8%	9.5%	14.9%	13.0%	–	628 569
eThekweni	7.7%	15.0%	15.8%	18.0%	16.0%	–	772 712
George	7.7%	0.8%	0.5%	0.2%	2.5%	60 486	183 379
Mangaung	7.7%	3.3%	2.4%	3.2%	4.6%	–	223 648
Mbombela ²	7.7%	2.6%	1.9%	2.4%	0.0%	–	–
Msunduzi ²	7.7%	2.7%	1.5%	2.4%	0.0%	–	–
Nelson Mandela Bay	7.7%	5.0%	4.7%	3.6%	5.9%	–	285 086
Polokwane	7.7%	2.7%	1.5%	1.3%	3.7%	–	178 544
Rustenburg	7.7%	2.4%	3.5%	2.3%	4.4%	–	213 649
Unallocated incentive							–
Total	100.0%	100.0%	100.0%	100.0%	100.0%	254 078	5 081 552

1. Excludes additional funds for Cape Town allocated through the Budget Facility for Infrastructure

2. These three cities are suspended from the grant

Source: National Treasury

In addition to the formula and performance incentive, R3.4 billion is allocated through the *public transport network grant* over the medium term for the City of Cape Town's MyCiTi public transport network, approved through the Budget Facility for Infrastructure. The facility seeks to support quality public investments through robust project appraisal, effective project development and execution, and sustainable financing arrangements. The process includes engaging with relevant stakeholders, the National Treasury and the Presidential Infrastructure Coordinating Commission. This additional amount will fund a new public transport corridor for the MyCiTi network, linking the underserved areas of Khayelitsha and Mitchells Plain to the city centre.

Neighbourhood development partnership grant

The *neighbourhood development partnership grant* supports municipalities in developing and implementing urban network plans. The grant funds the upgrading of identified precincts in order to stimulate third-party public and private investment. In metropolitan municipalities, the focus is on upgrading urban hubs in townships. The National Treasury, in collaboration with other stakeholders, including the Department of Agriculture, Rural Development and Land Reform and the Department of Cooperative Governance, has identified a cohort of non-metropolitan municipalities to implement new projects as part of this grant. The National Treasury will be partnering with these municipalities to identify, plan and implement infrastructure upgrades in targeted urban hub precincts. The allocations for this grant in the 2021 MTEF period amount to R2.1 billion, made up of R1.8 billion for the direct capital component and R292 million for the indirect technical assistance component. The fiscal consolidation reductions to the indirect component of this grant are equivalent to 4 per cent of the component's baseline in 2021/22, 5 per cent in 2022/23 and 8.6 per cent in 2023/24.

Water services infrastructure grant

This grant, administered by the Department of Water and Sanitation, aims to accelerate the delivery of clean water and sanitation facilities to communities that do not have access to basic water services. It provides funding for various projects, including the construction of new infrastructure and the refurbishment and extension of existing water schemes. It has both direct and indirect components. In areas where municipalities have the capacity to implement projects themselves, funds are transferred through a direct grant. In other areas, the Department of Water and Sanitation implements projects on behalf of municipalities through an indirect grant.

The direct component of this grant is allocated R11.2 billion over the 2021 MTEF period. The indirect component has a total allocation of R2.3 billion over the medium term.

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 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. It has both direct and indirect components. In areas where municipalities have the capacity to implement projects themselves, funds are transferred through a direct grant. In other areas, the Department of Water and Sanitation implements projects on behalf of municipalities through an indirect grant. A parallel programme, funded by the Department of Water and Sanitation, also funds water boards for the construction of bulk infrastructure. Though not part of the division of revenue, these projects still form part of the Department of Water and Sanitation's larger programme of subsidising the construction of regional bulk infrastructure for water and sanitation.

The grant has a total allocation of R17.3 billion over the 2021 MTEF period, consisting of R6.8 billion and R10.4 billion for the direct and indirect components respectively. The indirect component includes R367 million for the completion of bucket eradication projects in 2021/22.

Integrated national electrification programme grants

These grants aim to provide capital subsidies to municipalities to provide electricity to poor households and fund bulk infrastructure to ensure a constant supply of electricity. Allocations are based on the backlog of households without electricity and administered by the Department of Mineral Resources and Energy. The grant only funds bulk infrastructure that serves poor households. The national electrification programme has helped provide 91 per cent of all poor households with access to electricity, as reported in the 2016 Community Survey (up from the 85 per cent reported in the 2011 Census). To sustain this progress, government will spend R16.6 billion on the programme over the 2021 MTEF period.

The *integrated national electrification programme (municipal) grant* has a total allocation of R6.3 billion over the medium term and grows at an average annual rate of 17.6 per cent. The *integrated national electrification programme (Eskom) grant* is allocated R10.3 billion over the medium term and grows at an average annual rate of 11.6 per cent. It is reduced by R170 million in 2021/22, R50 million in 2022/23 and R30 million in 2023/24 to fund other government priorities. The reductions to this grant are equivalent to 5.7 per cent of the grant's baseline in 2021/22, 1.4 per cent in 2022/23 and 0.8 per cent in 2023/24.

Energy efficiency and demand-side management grant

The *energy efficiency and demand-side management grant* funds selected municipalities to implement projects with a focus on public lighting and energy-efficient municipal infrastructure. The grant continues to make provision for municipalities to use funding from the *energy efficiency and demand-side management grant* for planning and preparing for the Energy Efficiency in Public Infrastructure and Building Programme. The programme aims to create a market for private companies to invest in the large-scale retrofitting of municipal infrastructure, and then be paid back through the savings on energy costs achieved. This has the potential to unlock energy and cost savings on a much larger scale. Municipalities can use 15 per cent of their *energy efficiency and demand-side management grant* funding to develop a

project pipeline and thereby strengthen the market for energy companies that offer this service. This scaling up of energy-efficiency retrofits is a key part of meeting the goals in the National Climate Change Response Strategy and the United Nations Framework Convention on Climate Change.

This approach will also allow municipalities to benefit from donor financing. A Guarantee Fund from the Nationally Appropriated Mitigation Action Facility has been jointly established with funding from the German and United Kingdom governments to help private energy service companies obtain loans to implement the Energy Efficiency in Public Infrastructure and Building Programme. The programme will have significant long-term effects on energy savings, carbon emissions and the market for energy-efficient technologies. The grant is allocated R684 million over the medium term. The fiscal consolidation reductions to this grant are equivalent to 4 per cent of the grant's baseline in 2021/22, 5 per cent in 2022/23 and 8.6 per cent in 2023/24.

Rural roads asset management systems grant

The Department of Transport administers the *rural roads asset management systems grant* 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 information guides investments to maintain and improve these roads. District municipalities collect data on all the municipal roads in their area, ensuring that infrastructure spending (from the *municipal infrastructure grant* and elsewhere) can be properly planned to maximise impact. As data becomes available, incentives will be introduced to ensure that municipalities use this information to plan road maintenance appropriately. The *municipal infrastructure grant* stipulates that municipalities must use data from roads asset management systems to prioritise investment in roads projects.

The Department of Transport will continue to work with the *municipal infrastructure grant* administrators to ensure that municipal roads projects are chosen, prioritised and approved using roads asset management systems data wherever possible. This grant is reduced by R5 million in 2021/22, R6 million in 2022/23 and R11 million in 2023/24 to fund other government priorities. The grant is allocated R110 million in 2021/22, R115 million in 2022/23 and R115 million in 2023/24. The fiscal consolidation reductions to this grant are equivalent to 4 per cent of the grant's baseline in 2021/22, 5 per cent in 2022/23 and 8.6 per cent in 2023/24.

Capacity-building grants and other current transfers

Capacity-building grants help to develop municipalities' management, planning, technical, budgeting and financial management skills. Other current transfers include the *EPWP integrated grant for municipalities*, which promotes increased labour intensity in municipalities, and the *municipal disaster relief grant*. A total of R7.6 billion is allocated to capacity-building grants and other current transfers to local government over the medium term.

Table W1.31 Capacity building and other current grants to local government

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Outcome			Revised estimate	Medium-term estimates		
R million							
Direct transfers	1 968	1 670	1 870	2 113	2 333	2 412	2 442
Municipal disaster relief	341	–	–	204	359	371	373
Municipal emergency housing	–	38	147	159	168	175	183
Infrastructure skills development	141	141	149	144	155	159	160
Local government financial management	502	505	533	545	552	566	569
Programme and project preparation support	292	294	310	314	341	361	377
Expanded public works programme integrated grant for municipalities	691	693	730	748	759	778	781
Indirect transfers	103	92	111	120	135	140	147
Municipal systems improvement	103	92	111	120	135	140	147
Total	2 071	1 762	1 981	2 233	2 469	2 552	2 589

Source: National Treasury

Local government financial management grant

The *local government financial management grant*, managed by the National Treasury, funds the placement of financial management interns in municipalities and the modernisation of financial management systems. This includes building in-house municipal capacity to implement multi-year budgeting, linking integrated development plans to budgets, and producing quality and timely in-year and annual reports. The grant supports municipalities in the implementation of the Municipal Finance Management Act and provides funds for the implementation of the municipal standard chart of accounts.

This grant is reduced by R23 million in 2021/22, R30 million in 2022/23 and R54 million in 2023/24 to fund other government priorities. Total allocations to this grant amount to R1.7 billion over the 2021 MTEF period. The fiscal consolidation reductions to this grant are equivalent to 4 per cent of the grant's baseline in 2021/22, 5 per cent in 2022/23 and 8.6 per cent in 2023/24.

Infrastructure skills development grant

The *infrastructure skills development grant* develops capacity within municipalities by creating a sustainable pool of young professionals with technical skills in areas such as water, electricity and town planning. The grant places interns in municipalities so that they can complete the requirements of the relevant statutory council within their respective built environment fields. The interns can be hired by any municipality at the end of their internship.

This grant is reduced by R6 million in 2021/22, R8 million in 2022/23 and R15 million in 2023/24 to fund other government priorities. Its total allocations amount to R474 million over the 2021 MTEF period. The fiscal consolidation reductions to this grant are equivalent to 4 per cent of the grant's baseline in 2021/22, 5 per cent in 2022/23 and 8.6 per cent in 2023/24.

Municipal systems improvement grant

The *municipal systems improvement grant* funds a range of projects in municipalities in support of the implementation of the district development model approach and the back to basics strategy, including helping municipalities set up adequate record management systems, drawing up organograms for municipalities and reviewing their appropriateness relative to their assigned functions, implementing the Integrated Urban Development Framework, and assisting municipalities with revenue collection plans and the implementation of the municipal standard chart of accounts. The Department of Cooperative Governance implements the indirect grant. The grant's total allocations amount to R422 million over the 2021 MTEF period and grow at an average annual rate of 10 per cent.

In 2021/22, roughly a third of the grant's baseline will be used to support the institutionalisation of the district development model adopted by Cabinet in August 2019. The model is a method of government operating in unison, focusing on the municipal district and metropolitan spaces as the impact areas of joint planning, budgeting and implementation. In 2021/22, the grant will fund:

- Comprehensive institutional diagnostic assessments of the 21 district areas where the district municipality is a water service authority. The purpose of the diagnostic assessments is to determine skills, systems, performance, institutional gaps and the main constraints impeding effective and sound municipal performance.
- The development of institutional improvement/support plans that will inform all future capacity development programmes and municipal support initiatives to enhance the continued rollout of the model.

In the outer years of the MTEF period, 10 per cent of the grant's baseline is unallocated. This amount will be used to fund diagnostic assessments and the development of institutional improvement plans for the remaining 23 district areas.

EPWP integrated grant for municipalities

This grant promotes the use of labour-intensive methods in delivering municipal infrastructure and services. To determine eligibility for funding, municipalities must have reported performance on the

EPWP, including performance in the infrastructure, social and environment and culture sectors and on the full-time equivalent jobs created in these sectors in the last 18 months. A formula then determines allocations on the basis of this performance as well as the labour intensity of the work opportunities created. The number of bands in which labour intensity are recorded in the formula have been expanded from seven to eight, providing an incentive for labour-intense projects to further increase their intensity. The formula is weighted to give larger allocations to rural municipalities. The grant's baseline is reduced by R31 million in 2021/22, R41 million in 2022/23 and R74 million in 2023/24 to fund other government priorities. The impact of these reductions will be spread across municipalities in line with the grant's formula. The grant is allocated R2.3 billion over the MTEF period. The fiscal consolidation reductions to this grant are equivalent to 4 per cent of the grant's baseline in 2021/22, 5 per cent in 2022/23 and 8.6 per cent in 2023/24.

Municipal disaster relief grant

The *municipal disaster relief grant* is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to local government. The centre is able to disburse disaster-response funds immediately, without the need for the transfers to be gazetted first. The grant supplements the resources local government would have already used in responding to disasters. To ensure that sufficient funds are available in the event of disasters, section 20 of the Division of Revenue Bill allows for funds allocated to the *provincial disaster relief grant* to be transferred to municipalities if funds in the municipal grant have already been exhausted, and vice versa. The bill also allows for more than one transfer to be made to areas affected by disasters, so that initial emergency aid can be provided before a full assessment of damages and costs is conducted.

The grant's baseline is reduced by R15 million in 2021/22, R20 million in 2022/23 and R35 million in 2023/24 to fund other government priorities. These fiscal consolidation reductions are equivalent to 4 per cent of the grant's baseline in 2021/22, 5 per cent in 2022/23 and 8.7 per cent in 2023/24. Over the 2021 MTEF period, R1.1 billion is available for disbursement through this grant. To ensure that sufficient funds are available for disaster relief, section 17(6) of the Division of Revenue Bill allows funds from other conditional grants to be reallocated for this purpose, subject to the National Treasury's approval.

Municipal emergency housing grant

The *municipal emergency housing grant* is intended to enable the Department of Human Settlements to rapidly respond to emergencies by providing temporary housing and repairs in line with the Emergency Housing Programme. The grant is limited to funding emergency housing and repairs following the immediate aftermath of a disaster, and not the other emergency situations listed in the programme. Over the MTEF period, R526 million is available for disbursement through this grant.

Part 6: Future work on provincial and municipal fiscal frameworks

The fiscal frameworks for provincial and local government encompass all their revenue sources and expenditure responsibilities. As underlying social and economic trends evolve and the assignment of intergovernmental functions change, so must the fiscal frameworks. The National Treasury, together with relevant stakeholders, conducts reviews to ensure that provinces and municipalities have an appropriate balance of available revenues and expenditure responsibilities, while taking account of the resources available and the principles of predictability and stability.

This part of the annexure describes the main areas of work to be undertaken during 2021/22 as part of the ongoing review and refinement of the intergovernmental fiscal framework. Provinces and municipalities will be consulted on all proposed changes.

Cross-cutting reforms

Improving intergovernmental coordination on infrastructure investment

Public infrastructure investments can play a major role in transforming South Africa's spatial development patterns. This requires a significant improvement in intergovernmental coordination in planning and budgeting for infrastructure. The National Treasury is working with provinces to ensure that their investments in schools, roads, health facilities and housing are made in locations that align with the spatial development plans of municipalities. Municipalities must be consulted and agree on the location and bulk services requirements of all provincial infrastructure projects. Joint planning sessions have been held between provinces and municipalities, and support in this area will continue in 2021/22. National departments will also be supported to participate in intergovernmental planning and to review sector policies and funding strategies to promote better alignment with spatial development frameworks. This is in line with the Cabinet-approved district development model.

In 2021/22, the National Treasury will review provincial infrastructure sector funding policies and propose how grants, incentives and other funding sources can best be structured to strengthen funding coordination to achieve spatial development objectives.

Disaster funding

In 2021/22, the National Treasury will work with the National Disaster Management Centre to review the funding of disaster response and recovery activities. Climate change will make extreme weather events more common, and the disaster funding system needs to adapt to this new reality. The current system is designed to allow for the rapid release of funds following the declaration of a disaster. In addition to addressing the problems and inefficiencies within the existing system, the review must also consider how to place greater emphasis on being prepared before disasters occur. The system also needs to be adapted to respond better to long-running disasters such as drought conditions that may last for several years. For the 2021 Budget, this review has culminated in government relaxing the requirement for funds from the disaster grants to be used only after a disaster has been declared. For the initial response, funds may now be released when a disaster is classified. This is to allow for a quick response to the disaster; however, for significant or long-term disasters, a declaration is required to use resources from the disaster grant. This relaxation is being piloted for one financial year. Based on the lessons learnt, a decision will then be made on the funding approach for disasters.

Review of the provincial fiscal framework

Review of the provincial equitable share formula

The Constitution stipulates that provinces are entitled to a share of nationally raised revenue to deliver on their mandates. Provincial funds are allocated using a formula that considers the spread of the burden of service delivery across provinces. The provincial equitable share formula contains weighted elements that reflect government priorities and incorporates elements to redress inequality and poverty across provinces.

The provincial equitable share task team, made up of representatives from the National Treasury and provincial treasuries, is reviewing the formula. The task team partners with sector departments, Statistics South Africa and the FFC on different components of the review. It reports to the Technical Committee on Finance, and the Budget Council considers and approves any proposed changes to the formula. During 2021/22, the review will focus on:

- Developing options for how the formula can account for costs associated with being in a rural location.
- Working with the Department of Health to revise and update the risk-adjusted factor as part of a broader overhaul of the health component.
- Working with the Department of Basic Education to develop options for how to account for the different funding needs of different types of schools and learners.
- Revising the poverty component in the formula.

Preparing for national health insurance implementation

South Africa aims to make significant strides towards universal health coverage through the progressive implementation of national health insurance, as outlined in the National Health Insurance White Paper, which government adopted in 2017, and the National Health Insurance Bill, which was tabled in 2019 and is currently being considered in Parliament. Establishing the National Health Insurance Fund and increasingly channelling health budgets via this fund are likely to have significant implications for provincial finances, which are being discussed through consultative structures like the Technical Committee on Finance. In parallel, efforts to strengthen the health system in preparation for national health insurance will continue, including developing and piloting provider payment mechanisms, expanding the national insurance beneficiary registry, and purchasing and providing a prioritised set of health services. Government is also piloting a new quality improvement initiative within the non-personal services component of the *NHI indirect grant* that will help facilities meet the envisaged standards required for NHI accreditation. The experience gained from this pilot will inform future efforts to improve quality. The National Treasury and the Department of Health will continue to work together during 2021 to develop a strategy for further reforms to the structure of all the health conditional grants to ensure that they are aligned to support NHI implementation.

Shift of early childhood development function from the social development to the basic education sector

Following the President's announcement in the 2019 State of the Nation Address, South Africa will introduce two years of compulsory pre-schooling for all children before they enter Grade 1. The departments of Basic Education and Social Development and other partners are working closely to oversee the migration of the responsibility for early childhood development from the social development sector to the basic education sector and to introduce the compulsory pre-schooling. In 2020/21, these partners conducted an early childhood development audit to determine the need across all affected age groups and the quality of provision of these services. In 2021/22, the policy function will shift from the Department of Social Development to the Department of Basic Education, while the function's administration is envisaged to be shifted in 2022/23.

Shift of agricultural colleges to national government

For agricultural colleges to be accredited as higher education colleges in terms of the Higher Education Act (1997), the function of administering these colleges needs to move from provinces to the national government. The Department of Higher Education and Training is coordinating with the Department of Agriculture, Land Reform and Rural Development and its provincial counterparts to prepare for this proposed function shift. In 2020/21, the National Treasury worked with provincial treasuries, the Department of Agriculture, Land Reform and Rural Development and the Department of Higher Education and Training to assess the financial impacts of the proposed shift. Not all requirements of a function shift in terms of Treasury Regulations and section 42 of the Public Finance Management Act, as well as relevant legislation and regulations relating to higher education and training have been met, so the function shift will most likely be implemented in the 2022 Budget.

The role of provinces in promoting economic development

All three spheres of government must work with businesses and other relevant stakeholders to provide an enabling environment for faster and more inclusive economic growth. An Economic Development Coordination Forum has been established to improve the coordination of economic development initiatives between provincial and national governments. This forum is chaired jointly by the National Treasury and the Department of Trade, Industry and Competition. It includes participants from provincial treasuries and sector departments, the Department of Small Business Development, the Department of Cooperative Governance and SALGA.

Review of the local government fiscal framework

Budget Forum lekgotla

The local government fiscal framework refers to all of the revenue sources that are available to local government and all the expenditure responsibilities they have. A well-designed fiscal framework allows each municipality to balance its revenue sources against its expenditure responsibilities. Many stakeholders have expressed concern that elements of the current local government fiscal framework make it difficult for municipalities to balance their revenues with their expenditure responsibilities. As proposed by the Minister of Finance, the Budget Forum held a special lekgotla on 11 December 2020 to review the structure of the framework and to agree on which issues in local government are attributable to the structure of the fiscal framework and which are related to other factors such as problems in governance, intergovernmental relations and the assignment of functions between spheres.

The Budget Forum is an intergovernmental forum chaired by the Minister of Finance and includes Members of the Executive Council (MECs) responsible for finance in each province and SALGA. To facilitate improved cooperation across sectors, the Minister and MECs responsible for cooperative governance are invited to participate in the Budget Forum meetings. The Chairs of Parliament's Standing and Select Committee on Appropriations and Finance as well as representatives of the FFC are also invited to attend.

The Budget Forum lekgotla resolved that all matters pertaining to the Local Government Functional and Fiscal Framework must be addressed collaboratively by the National Treasury, the Department of Cooperative Governance and Traditional Affairs and SALGA. A joint work programme has been agreed on to deal with key outstanding issues impeding the effective functioning of the fiscal system for local government. Moreover, as mandated by the Budget Forum lekgotla, a collaborative policy and administrative infrastructure workstream looking into infrastructure funding and asset management support work is under way in 2021. These will help to resolve contentious issues and build consensus.

Refinements to the local government equitable share formula

Government continues to work with stakeholders to improve the local government equitable share formula. Areas of work in the period ahead include:

- Improving the responsiveness of the formula to the different functions assigned to district and local municipalities. This work depends on the availability of credible official records of the functions assigned to each sphere of government. Policy and administrative work under way in the National Disaster Management Centre could help improve the targeting of funding for fire services.
- Reviewing and updating how the special support for councillor remuneration is calculated. This support is calculated separately from the rest of the equitable share formula but transferred with equitable share allocations. Support is only provided to small and poor municipalities, and the data used for determining eligibility needs to be updated.
- Working with Statistics South Africa to explore how new population estimates at municipal level can be incorporated into the formula updates.
- Conducting research to inform the review of the fairness of the equitable share formula and cost elements applied in the formula.

Review of local government infrastructure grants

As part of the ongoing review of local government infrastructure grants, the National Treasury, the Department of Cooperative Governance, SALGA and the FFC will work closely to implement the reform agenda agreed to through the review, including:

- Improving the administration of conditional grants by national departments.
- Further consolidating conditional grants.
- Increasing differentiation in the grant system, so that grants are well aligned to the different circumstances found across the country's 257 municipalities.

- Reviewing grant formulas to ensure that allocations are equitable across the different types of municipalities that receive allocations from differentiated grants, such as the *urban settlements development grant* (for metros), the *integrated urban development grant* (for intermediate cities) and the *municipal infrastructure grant*.
- Identifying ways to incorporate incentives for improved asset management into the grant system. This will be the focus of the Budget Forum lekgotla's 2021 infrastructure stream.

Review of the municipal capacity support system

Government is reviewing the system of capacity building provided to municipalities. It invests public funds of more than R3 billion in capacity support for municipalities every year through a broad range of grants and programmes. These various forms of capacity development and support tend to be planned and managed separately from one another. The National Treasury is managing the review, which will identify ways to improve implementation capability in South Africa. The review plans to:

- Support the National Treasury to achieve its goals of enhancing and coordinating prudent financial management, and improving integration and coordination across government.
- Provide common understanding within government of what the current capacity-building system is by mapping the various capacity-building measures undertaken by the different parts of government and their interrelationship.
- Promote innovation in the system.
- Identify opportunities to improve the cost-effectiveness of the capacity-building measures within the system, including reducing administrative costs and duplications.
- Enhance improved municipal performance.

The National Treasury appointed a service provider in November 2020 and inputs were made at an inception meeting of a multisectoral Steering Committee on 20 January 2021. Although the review outcomes will lead to widespread consultation, detailed studies and projects for prioritised components of the capacity-building system for implementation, certain emerging components may inform initial changes to the capacity-building system in the 2022 Budget.

Reforms to local government own revenue sources

Municipalities play a critical role in boosting economic growth and providing an enabling environment for job creation by providing well-maintained and functioning infrastructure services. However, municipalities are finding it increasingly difficult to build the infrastructure required for growth and meet the demands of rapid urbanisation. The National Treasury continues to explore how cities and other municipalities with a significant own revenue base can use a broader package of infrastructure financing sources to meet their developmental mandate. The National Treasury is implementing the reforms discussed below.

Development charges

Development charges are important components of a sustainable municipal infrastructure financing system, especially for cities and large urban municipalities. Development charges are used to finance land intensification. Despite their potential as an alternative option for financing infrastructure, municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. A municipality imposes these once-off charges on a landowner applying for land development approval. The charges are based on the concept that urban growth and expanded land use lead to increased infrastructure demand. To allow municipalities to mobilise own revenue resources to fund municipal infrastructure needs and support economic growth, the draft Municipal Fiscal Powers and Functions Amendment Bill proposes new, uniform regulations for levying development charges, strengthening municipalities' revenue-raising framework. The National Treasury received comments in 2020 and is addressing them. It will then submit the bill to Cabinet and Parliament for consideration in 2021.

The draft legislation can be accessed on the National Treasury website: http://www.treasury.gov.za/legislation/draft_bills.

Municipal borrowing

The National Treasury has updated the original municipal borrowing policy framework and will shortly submit it to Cabinet for approval. The proposed changes aim to increase the term maturity of borrowing, improve the secondary market for the trade of municipal debt instruments, and define development finance institutions' role to avoid crowding out the private sector.

Complementary to this process, initiatives that aim to promote infrastructure financing, such as the Infrastructure Fund, have been launched. As a blended finance mechanism, the Infrastructure Fund is designed to use government grants to leverage private sector investment. In addition, project preparation structures are in place to help project owners and sponsors adequately prepare projects for funding through the Infrastructure Fund.

The National Treasury continues to publish the Municipal Borrowing Bulletin on a quarterly basis. Copies can be obtained from www.mfma.treasury.gov.za.

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 2021 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(ties) 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
- 2021 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving provincial departments
- Process for approval of business plans for 2022/23

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 Division of Revenue Bill, 2021 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2021/22 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, LAND REFORM AND RURAL DEVELOPMENT GRANTS

Comprehensive Agricultural Support Programme Grant	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Land Reform and Rural Development (Vote 29)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To create a favourable and supportive agricultural services environment for the farming community, in particular subsistence and smallholder farmers within strategically identified grain, livestock and horticulture production areas
Grant purpose	<ul style="list-style-type: none"> • To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform, restitution and redistribution, and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export • To revitalise agricultural colleges into centres of excellence
Outcome statements	<ul style="list-style-type: none"> • Broadened access to agricultural support for black subsistence and smallholder farmers • Increased number of sustainable and profitable black producers in horticulture, grains, livestock and aquaculture value chains • Improved farming efficiency of beneficiaries of the Comprehensive Agricultural Support Programme (CASP) • Improved systems required for the maintenance of a foot and mouth disease free status as prescribed by the World Organisation for Animal Health • Increased wealth creation and sustainable employment in rural areas • Increased access to markets by beneficiaries of CASP • Improved household and national food security • Reliable and accurate agricultural information available for management decision making
Outputs	<ul style="list-style-type: none"> • On and off- farm infrastructure provided and repaired, including agro-processing infrastructure • Number of farmers supported per category (subsistence, smallholder and commercial) and per commodity • Number of farmers who are women youth and people living with disabilities supported per category • Number of beneficiaries of CASP that are South African Good Agricultural Practices certified • Number of jobs created • Number of youth, women and farmers with disabilities supported through CASP • Number of unemployed graduates placed on commercial farms • Number of beneficiaries of CASP trained on farming methods or opportunities along the value chain • Percentage of CASP beneficiaries with access to formal markets • Tracing system for animal identification and movement provided and maintained for cattle in the foot and mouth disease controlled areas of Limpopo, Mpumalanga and KwaZulu-Natal • Physical boundary between the foot and mouth disease free zone and the protection zone provided and maintained • Food and veterinary laboratory infrastructure, including quality systems accreditation, revitalised in eight provinces (except Gauteng) • Number of animals vaccinated for foot and mouth disease in Limpopo and Mpumalanga • Number of extension officers recruited and/or maintained in the system within identified production schemes • Number of extension officers trained or deployed to commodity organisations
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Outputs indicators • Inputs • Key activities • Monitoring framework • Risks and mitigation strategies
Conditions	<ul style="list-style-type: none"> • At least 50 per cent of project allocation must support infrastructure development for grain, livestock and horticultural production areas in partnership with the relevant commodity organisations • Provinces should prioritise and implement Kaonafatso ya Dikgomo in partnership with the Agricultural Research Council • The farmers supported must be linked to, but not limited to, commodity organisations as outlined in the dynamic business model of Department of Agriculture, Land Reform and Rural Development (DALRRD). The province should have formal partnership agreements with these commodity organisations to ensure appropriate support is provided to farmers such as specialised technical support, training, joint funding, access to markets and joint implementation

Comprehensive Agricultural Support Programme Grant	
	<ul style="list-style-type: none"> • In cases where farmers requiring support are outside a commodity organisation agreement, their proposals received from the advertisement process must be approved by committees and authorities established by the province as outlined in the standard operating procedure • All assisted farmers should be listed or registered in the provincial and national farmer registers • At least 10 per cent of the project allocation must be spent on market access and development • At least 6 per cent of the project allocation must be spent on training and capacity building of farmers, and 4 per cent can be used for mentorship programme • At least 1 000 unemployed agricultural graduates should be placed in commercial farms nationally as follows: <ul style="list-style-type: none"> ○ Gauteng and Northern Cape must place at least 80 graduates each ○ the remainder of the provinces must place at least 120 graduates each ○ all graduates must be employed at a rate of R87 000 per annum • The DALRRD will reprioritise the allocated funds on the following basis: <ul style="list-style-type: none"> ○ in the event of poor spending on the part of a province where poor spending is the result of poor planning or failure by service provider to meet contractual obligations ○ in the event of a disaster that affects the implementation of approved plans ○ provinces not adhering to the CASP standard operating procedure framework when implementing projects • The provincial departments are to confirm human resources capacity to implement CASP business plan by 31 March 2021 • Funds will be transferred as per the disbursement schedule approved by National Treasury • Provinces to inform the transferring officer of any changes to plans and allocations approved by the DALRRD within seven days of such change, and such changes must be approved by the transferring officer before they are implemented • The provincial business plans must be signed off by the heads of departments (HoDs) of the provincial agriculture departments in collaboration with chief financial officers (CFOs) or their representatives, and must be co-signed by the heads of provincial treasuries • The signed business plan for CASP must be submitted to the DALRRD for approval • Allocations for agricultural colleges must only be used to revitalise infrastructure and equipment at these colleges, as determined in the business plan
Allocation criteria	<ul style="list-style-type: none"> • The formula used to allocate funds is a weighted average of the following variables: agricultural land area, households involved in agriculture (General Household Survey 2018 report), previous CASP performance and current benchmarks on production and national policy imperatives
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Agriculture is identified as a game changer and investment in agriculture must be guided under strict conditions to achieve the aspirations of the National Development Plan and the Agriculture and Agro-processing Master Plan
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R1.5 billion of which R1.4 billion (93.1 per cent) was spent <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 429 subsistence farmers supported • 7288 smallholder farmers supported • 170 black commercial farmers supported • 10 727 beneficiaries were supported from 545 projects implemented, with 331 projects completed at the end of the financial year • 40 per cent of beneficiaries supported were women, 13 per cent were youth and 0.3 per cent were people with disabilities • 10 agro-processing infrastructure projects delivered • 3 713 jobs created • 37 farms were audited for South African Good Agricultural Practices certification and 33 were certified, and 18 farms were re-certified. • 47 per cent of the smallholder farmers supported had access to formal markets • 9 310 farmers were trained in targeted training programmes, 52 per cent trained were women, 29.2 per cent youth and 0.6 per cent were people with disabilities • 145 beneficiaries were supported with mentorship • 1029 agricultural graduates were placed on commercial farms for a period of two years as part of the youth entrepreneurial programme. • 6 extension officers were recruited nationally and 343 maintained in the system • 10 agricultural colleges upgrading infrastructure (ongoing)
Projected life	<ul style="list-style-type: none"> • Grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R1.6 billion; 2022/23: R1.6 billion and 2023/24: R1.6 billion
Payment schedule	<ul style="list-style-type: none"> • Four instalments: 14 May 2021, 27 August 2021, 29 October 2021 and 28 January 2022

Comprehensive Agricultural Support Programme Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Agree on outputs and targets with provincial departments in line with grant objectives for 2021/22 • Provide the guidelines and criteria for the development, approval and implementation of business plans • Provide a template for project registration and reporting • Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly • Submit monthly financial reports to National Treasury 20 days after the end of the month • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit an annual evaluation of performance report to National Treasury within four months after the end of the financial year • Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings <p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Provinces to adhere to the conditions of this framework and Division of Revenue Act • Provinces to submit detailed project list and project profiles as per the DALRRD project list template • Provinces to implement the CASP business plans as approved • All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the Division of Revenue Act when executing projects as well as for reporting purposes • Provinces to report monthly (for financial performance) 15 days after the end of each month, and quarterly (for non-financial performance) 20 days after the end of each quarter, and annually two months after the end of the financial year on the progress and achievements of the programme • Submit quarterly project performance reports to DALRRD • Assign and delegate officials to manage and monitor the implementation of the programme before April 2021 • Keep a record of projects supported and a farmer register • Monitor project implementation on quarterly basis and evaluate the impact of projects in achieving CASP goals • Provinces to adhere to the approved CASP standard operating procedure framework
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 28 May 2021 • Submission of provincial CASP business plans by provinces by 30 September 2021 • Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2021 prior to final national assessment panel meeting • Evaluation and recommendation of business plans by national assessment panel between November 2021 and February 2022 • Send funding agreements to provinces by February/March 2022 to be signed by HoDs, CFOs, and CASP coordinators • Approval of business plans by the transferring officer before 31 March 2022 • Inform provinces of approval of the business plans in March or April 2022 • Approval by the transferring officer regarding 2022/23 business planning process compliance during April 2022, and send to the National Treasury by end April 2022

Ilima/Letsema Projects Grant	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Land Reform and Rural Development (Vote 29)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To reduce poverty through increased food production initiatives
Grant purpose	<ul style="list-style-type: none"> • To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production within strategically identified grain, livestock, horticulture and aquaculture production areas
Outcome statements	<ul style="list-style-type: none"> • Increased agricultural production of grains, livestock, horticulture, sugarcane, cotton and aquaculture at both household and national level • Improved household and national food security • Improved farm income • Maximised job opportunities • Reduced poverty • Rehabilitated and expanded irrigation schemes
Outputs	<ul style="list-style-type: none"> • Land under agricultural production (grains, horticulture and livestock) • Yields per unit area • Superior breeding animals acquired and distributed to farmers • Jobs created • Beneficiaries/farmers supported by the grant per category • Hectares of rehabilitated and expanded irrigation schemes • Number of farmers who are women youth and people living with disabilities supported per category
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Outputs indicators • Inputs • Key activities • Monitoring framework • Risks and mitigation strategies
Conditions	<ul style="list-style-type: none"> • Ilima/Letsema grant should be allocated to support food production (crop and livestock production) in support of the Fetsa Tlala initiatives, prioritising vulnerable households, communal areas and areas under traditional leadership, targeting subsistence and smallholder producers supported with inputs and mechanisation • Partnerships with black commodity organisations should be prioritised for joint support, joint funding and joint implementation • At most 30 per cent of Ilima/Letsema allocations to be used for rehabilitation of irrigation schemes in Eastern Cape, Free State, Northern Cape, North West and KwaZulu-Natal provinces • Provincial departments to confirm human resources capacity to implement Ilima/Letsema business plans on or before 31 March 2021 • All assisted farmers should be listed in the provincial and national farm registers • Provinces to inform the transferring officer of any changes to plans and allocations approved by the Department of Agriculture, Land Reform and Rural Development (DALRRD) within seven days of such change, and such changes must be approved by the transferring officer before they are implemented • The business plans must be signed off by the heads of departments (HoDs) of the provincial agriculture departments in collaboration with the chief financial officers (CFOs) or their representatives, and co-signed by the heads of provincial treasuries • The signed business plans must be submitted to DALRRD for approval
Allocation criteria	<ul style="list-style-type: none"> • The formula used to allocate funds is a weighted average of the following variables: agricultural land available, previous homeland areas, households involved in agriculture (General Household Survey 2018), food insecure areas and national priority areas targeted for increased food production and previous Ilima/Letsema performance
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The funding originated with the special poverty allocations made by national government for a specific purpose and requires tight conditionality to achieve the national goal • Agriculture is identified as a game changer and investment in agriculture must be guided under strict conditions to achieve aspirations of the National Development Plan
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R583 million, of which R538 million was actual transfer to provinces and R509 million (95.3 per cent) was spent <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 35 006 subsistence farmers supported • 4 798 smallholder farmers supported • 255 black commercial farmers supported • 9 644 jobs created • 69 116 households supported with starter packs and production inputs • 176 schools assisted to establish food gardens

Ilima/Letsema Projects Grant	
	<ul style="list-style-type: none"> • 858 community food gardens established • 89 430 beneficiaries supported by the programme (55 per cent were women, 23 per cent were youth and 0.3 per cent were people with disabilities) • 85 607 hectares of land cultivated • Between 3 and 7 tons per hectare of maize achieved • Vaalharts and Makhathini irrigation schemes were revitalised
Projected life	<ul style="list-style-type: none"> • Grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R597 million; 2022/23: R610 million and 2023/24: R624 million
Payment schedule	<p>Transfers for Schedule 5, Part A:</p> <ul style="list-style-type: none"> • Four instalments: 14 May 2021, 27 August 2021, 29 October 2021 and 28 January 2022
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Agree on outputs and targets with provincial departments in line with grant objectives for 2021/22 • Provide the guidelines and criteria for the development and approval of business plans • Provide template for project registration and reporting • Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly • Submit monthly financial reports to National Treasury 20 days after the end of the month • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit annual evaluation of performance report to National Treasury within four months after the end of the financial year • Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Provinces to adhere to the conditions of this framework and Division of Revenue Act (DoRA) • Provinces to submit detailed project list as per the DALRRD project list template • Provinces to report monthly (on financial performance) 15 days after the end of each month, and quarterly (on non-financial performance) 20 days after the end of each quarter, and annually two months after the end of the financial year on the progress and achievements of the programme • Provinces to implement the Ilima/Letsema business plans as approved • All receiving departments must abide by the PFMA, Treasury Regulations and the DoRA when executing projects as well as for reporting purposes • Assign and delegate officials to manage and monitor implementation of the programme by April 2021 • Keep records of projects supported and a farmer register • Monitor project implementation on a quarterly basis and evaluate the impact of projects in achieving Ilima/Letsema goals
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 28 May 2021 • Submission of provincial Ilima/Letsema business plans by provinces on 30 September 2021 • Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2021 prior to final national assessment panel meeting • Evaluation and recommendation of business plans by national assessment panel between November 2021 and February 2022 • Send funding agreements to provinces by February/March 2022 to be signed by HoDs, CFOs and Ilima/Letsema coordinators • Approval of business plans by the transferring officer before 31 March 2022 • Inform provinces of approval of the business plans in March or April 2022 • Approval by the transferring officer regarding 2022/23 business planning process compliance during April 2022, and send to National Treasury by end April 2022

Land Care Programme Grant: Poverty Relief and Infrastructure Development	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Land Reform and Rural Development (Vote 29)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To optimise productivity and sustainability of natural resources leading to greater productivity, food security, job creation and better quality of life for all
Grant purpose	<ul style="list-style-type: none"> • To promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all
Outcome statements	<ul style="list-style-type: none"> • Improved veld grazing capacity and livestock productivity • Improved production potential of arable land leading to increased yield • Improved quantity and quality of South Africa's water resources through projects in SoilCare, VeldCare, Conservation Agriculture and WaterCare focus areas of Land Care programme. • Improved youth participation in the agricultural sector and intergenerational skills transfer to develop the capacity of youth • Improved custodianship and stewardship of natural agricultural resources through community-based initiatives by all land users • Improved livelihoods of rural communities within the ambit of the green economy • Improved partnerships with private, public and community sectors • Improved knowledge and skills base of participants and land users • Enhanced ecosystem services for current and future generations • Improved governance of natural agricultural resources of the country
Outputs	<ul style="list-style-type: none"> • Hectares of rangeland protected and rehabilitated • Hectares of arable land protected and rehabilitated • Hectares of land under conservation agriculture • Number of farmers using conservation agriculture • Number of youths successfully attending organised Junior Land Care initiatives • Number of hectares of land where water resources are protected and rehabilitated • Number of capacity building initiatives conducted for land carers and institutions • Number of people who benefited from capacity building initiatives • Number of awareness campaigns conducted • Number of people more aware of sustainable use of natural agricultural resources • Hectares of land where weeds and invader plants are under control • Number of kilometres of fence erected • Number of green jobs created expressed as full-time equivalents (FTEs) • Number of Land Care committees established
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 2: Economic transformation and job creation
	<ul style="list-style-type: none"> • Project Background • Farm Plan • Land Use • Beneficiaries and Employment • Pre-project Assessment and Planning • Change Pathway Analysis • Behavioural Analysis • Risk and Dispute Analysis • Implementation Map • Quantities and Delivery Schedule
Conditions	<ul style="list-style-type: none"> • Provinces must confirm capacity to implement projects before funds can be transferred • Provincial departments' annual evaluations must be submitted using an approved Land Care template that clearly indicates progress on achieving measurable objectives, performance targets and clear theory of change • The impact (before and after) of the Land Care programme should also be quantified during initiation, implementation and handing-over phases of the projects • Each project implemented should be guided by a farm plan in terms of Conservation of Agricultural Resources Act • Provinces should report signed financial performance per project on the 15th of every month in compliance with the 2021 Division of Revenue Act (DoRA) • Provinces should report on the number of jobs created 15 days after the end of each month. The report should, amongst other requirements, indicate for each participant their name, surname, identity number, gender, project name, wage and duration of employment. The number of jobs created should further be reported on the Expanded Public Works Programme (EPWP) reporting system • Projects should adhere to the reporting dates as stipulated in the 2021 DoRA and the agreed dates as approved by Land Care Natural Resource Management Working Group and secretariat

Land Care Programme Grant: Poverty Relief and Infrastructure Development	
	<ul style="list-style-type: none"> Provinces should submit their portfolio of evidence (acknowledgement letters, project maps etc.) in line with the contents of their quarterly and monthly reports. The portfolio of evidence should be submitted together with the quarterly reports Provinces should periodically undertake a skill audit of beneficiaries, provide training and submit reports to the Department of Agriculture, Land Reform and Rural Development (DALRRD) Reports submitted after the due date should be accompanied by a letter outlining the reason/s for late submission
Allocation criteria	<ul style="list-style-type: none"> Allocations are based on an index considering priority development areas, land capability, poverty, degradation and land size derived from the following sources: <ul style="list-style-type: none"> nodes of the most deprived wards in the country land capability: total hectares of class I, II and III land (spatial analysis - land capability data) size: hectares (new boundaries from the Municipal Demarcations Board) poverty: poverty gap based on food poverty line (Statistics South Africa Living Conditions Survey 2018) land degradation: hectares (Land Degradation Report 2018) policy imperatives and development for sustainable land management
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The funding originated with the special poverty allocations made by national government for a specific purpose
Past performance	<p>2019/2020 audited financial outcomes</p> <ul style="list-style-type: none"> Allocated R95 million inclusive of rollovers and transferred R94 million to provinces, of which provinces spent R90 million (94.81 per cent) by the end of the financial year <p>2019/2020 service delivery performance</p> <ul style="list-style-type: none"> 17 091 hectares of rangeland protected and rehabilitated 156 hectares of arable land protected and rehabilitated 3 701 hectares of land under conservation agriculture 23 366 youths successfully attending organised Junior Land Care initiatives 143 household and school food gardens established through Junior Land Care 1 water sources developed or protected against over-utilisation 215 capacity building initiatives conducted for Land Care 10 371 people with improved capacity and skill levels benefiting from capacity building initiatives 284 awareness campaigns conducted and attended by Land Care 22 350 people more aware of sustainable use of natural resources 6 229 hectares of land where weeds and invader plants are under control 5 081 hectares of land where bush encroachment is controlled 299 kilometres of fencing erected 830.89 green jobs created expressed as full-time equivalents 32 Land Care committees established
Projected life	<ul style="list-style-type: none"> This grant will be aligned with changes in the EPWP, national planning framework report and policy developments within government
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R83 million, 2022/23: R85 million and 2023/2024: R86 million
Payment schedule	<ul style="list-style-type: none"> Allocation to provinces will be disbursed on a quarterly basis (23 April 2021, 20 August 2021, 19 October 2021 and 21 January 2022)
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Host national assessment panel to assess the projects with the provincial departments in line with grant objectives for 2022/23 Review guidelines and standards for the implementation of the grant during financial year Provide the guidelines and criteria for the development and approval of business plans Monitor implementation through project site visits, reports, natural resource management working group quarterly meetings and provide support to provinces Submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter Submit evaluation reports to the National Treasury within four months after the end of the financial year
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Provincial departments to ensure that procurement processes and procedures have been adhered to and plan in place to source service providers proactively for the implementation of LandCare projects to commence on 1 April 2021 Ensure that provinces' organisational structure for Programme 2, as prescribed by National Treasury, is established and capacitated to manage Land Care and ensure adequate capacity exists in the province and in the local level to implement the Land Care projects Provincial departments to submit signed monthly financial report on the 15th day of every month Provincial departments to report monthly on jobs created as part of the EPWP. These reports should be submitted to the Department of Public Works using the approved reporting system

Land Care Programme Grant: Poverty Relief and Infrastructure Development	
	<ul style="list-style-type: none"> • Provincial departments to submit signed quarterly reports (non-financial) 30 days after the end of each quarter on the progress of the projects as prescribed by 2021 DoRA. Provinces should further adhere to agreements approved by the natural resource management working group on performance reporting and any other matter related to natural resource management • Provincial departments to submit portfolio of evidence as agreed upon with DALRRD within 30 days after the end of each quarter • Provincial departments to implement projects according to the approved business plans. Deviation should first be communicated to the accounting officer in writing and approved by the transferring officer before implementation • Provinces must hold Land Care standard provincial assessment panels that are inclusive of relevant partners before submission of provincially approved preliminary individual and provincial business plans to DALRRD by 29 October 2021 • Provincial departments should monitor project implementation and evaluate the impacts of projects in achieving Land Care goals • Provinces to submit evaluation reports to DALRRD within two months after the end of the financial year • Ensure and support the upscaling of conservation agriculture practices within communities. • Assist farmers with soil testing to improve and maintain soil health.
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • DALRRD must provide provincial departments with business plan formats and guidelines as prescribed by National Treasury and DALRRD by June 2020 • Engagement by DALRRD with provinces on business plans submitted before provincial assessment panel and prior to the national assessment panel • Evaluation and recommendation of business plans by national assessment panel before the end of March 2022 • Interactions with provinces on national assessment panel comments and final submission of signed individual and provincial business plans by the provinces prior to approval by the DALRRD Accounting Officer • Approval of business plans by the DALRRD accounting officer before first transfer in 2021 • Notify provinces of the approval of business plans before first quarter transfer

BASIC EDUCATION GRANTS

Education Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> Schedule 4, Part A
Strategic goal	<ul style="list-style-type: none"> To supplement provinces to fund the provision of education infrastructure in line with the regulations relating to minimum uniform norms and standards for public school infrastructure
Grant purpose	<ul style="list-style-type: none"> To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation To enhance capacity to deliver infrastructure in education To address damages to infrastructure To address achievement of the targets set out in the minimum norms and standards for school infrastructure
Outcome statements	<ul style="list-style-type: none"> Improved quality of education service delivery by provincial departments as a result of an improved and increased stock of school infrastructure Aligned and coordinated approach to infrastructure development at the provincial sphere Improved education infrastructure expenditure patterns Improved response to the rehabilitation of school infrastructure Improved rates of employment and skills development in the delivery of infrastructure Improved safety in school facilities through occupational health and safety
Outputs	<ul style="list-style-type: none"> Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided Number of existing schools' infrastructure upgraded and rehabilitated Number of new and existing schools maintained Number of work opportunities created Number of new special schools provided, and existing special and full-service schools upgraded and maintained Number of schools where contracts focused on the development and upgrading of potable water supply and safe sanitation have reached practical completion Number of schools where contracts focussed on the COVID-19 emergency potable water supply have reached practical completion Number of schools where contracts focussed on the COVID-19 emergency safe sanitation have reached practical completion Volume of water supplied through trucking (with details of which schools were supplied on what dates) Number of schools provided with sanitisation materials and equipment (with quantities specified)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses an infrastructure plan that includes: <ul style="list-style-type: none"> the infrastructure programme management plan (IPMP) the procurement strategy the capacitation strategy the infrastructure reporting model (IRM) the year-end evaluation report
Conditions	<ul style="list-style-type: none"> Provinces may utilise a portion of grant funding for the appointment of public servants on a permanent basis to their infrastructure units in line with human resource capacitation circular published by National Treasury (including maximums set in the circular) The flow of each instalment of the grant depends upon provinces submitting to Department of Basic Education (DBE) and provincial treasuries non-financial performance reports on programmes partially and fully funded by the grant The flow of the first instalment of the grant depends upon receipt by the national Department of Basic Education (DBE) and provincial treasuries of: <ul style="list-style-type: none"> approved and signed-off infrastructure plan with tabled prioritised project lists for the 2021 medium term expenditure framework (MTEF) by no later than 26 March 2021. The infrastructure plan must, where applicable, also include the implementation plans for schools affected by natural disasters preventative and corrective maintenance plan for all maintenance programmes over the MTEF period accompanied by a project list no later than 26 March 2021 The flow of the second instalment depends upon receipt by DBE and provincial treasuries of the approved and signed-off: <ul style="list-style-type: none"> monthly infrastructure reports in a format determined by the National Treasury and DBE national education infrastructure management system assessment forms for the fourth quarter of the 2020/2021 financial year no later than 28 April 2021

Education Infrastructure Grant	
	<ul style="list-style-type: none"> ○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the fourth quarter of the 2020/21 financial year within 22 days after the end of the fourth quarter ● The flow of the third instalment is dependent upon receipt by DBE, the relevant provincial treasuries and the National Treasury, on a date and in a format determined by National Treasury, of the approved and signed-off: <ul style="list-style-type: none"> ○ infrastructure plans for all infrastructure programmes for a period of 10 years (including the initial list of prioritised projects) on a date specified in the performance-based approach guidelines ○ the 2021/22 project list must be drawn from the prioritised project list for the MTEF tabled in 2020/21 ○ preventative and corrective maintenance plans for all maintenance programmes over the MTEF period accompanied by a project list on a date specified in the performance-based approach guidelines ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ national education infrastructure management system assessment forms for the first quarter of 2021/22 by 27 July 2021 ○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the first quarter of the 2021/22 financial year within 22 days after the end of the first quarter ○ the conditional grant year-end evaluation report on financial and non-financial performance no later than 28 May 2021 ● The flow of the fourth instalment is conditional upon receipt by the DBE and relevant provincial treasury of the approved and signed off: <ul style="list-style-type: none"> ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ national education infrastructure management system assessment forms for the second quarter of 2021/22 by 26 October 2021 ○ IPMPs for infrastructure programmes envisaged to commence within the period for the medium term expenditure framework on a date specified in the performance based approach guidelines ○ procurement strategy for infrastructure programmes envisaged to commence within the period of the medium term expenditure framework on a date specified in the performance based approach guidelines ○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the second quarter of the 2021/22 financial year within 22 days after the end of the second quarter ● The flow of the fifth instalment is conditional upon receipt by the DBE and the relevant provincial treasuries, on a date determined by National Treasury, of the approved and signed-off: <ul style="list-style-type: none"> ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ national education infrastructure management system assessment forms for the third quarter of 2021/22 to DBE not later than 21 January 2022 ○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the third quarter of the 2021/22 financial year within 22 days after the end of the third quarter ● Provincial education departments must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery ● Provincial education departments must comply with the Framework for Infrastructure Delivery and Procurement Management (FIDPM) ● Provincial education departments must provide school governing bodies with maintenance guidelines to conduct minor maintenance. This should be in accordance with the sector maintenance strategy ● Provincial education departments should allocate no less than 30 per cent of the Education Infrastructure Grant (EIG) allocation to address preventative and corrective maintenance at schools ● Provincial education departments may use multiple implementing agents when implementing projects funded from the grant ● To promote conducive teaching and learning within the acceptable occupational, health and safety standards, provincial education departments must implement maintenance projects in all education facilities. ● In schools without section 21 responsibilities, provincial education departments should put in place the necessary measures to ensure that planned maintenance at these schools occurs as per the scheduled maintenance plan for such schools ● Provincial education departments must provide all the necessary equipment and furniture in the spaces provided when constructing new projects ● Provincial education departments must submit their plans for the procurement of mobile classrooms to the DBE and any deviation from these plans should be approved in writing by the DBE and National Treasury ● Provincial education departments must adhere to the prescripts of the National Treasury instruction number 2 of 2015/16, on the implementation of the school cost norms ● Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of transfers

Education Infrastructure Grant	
	<ul style="list-style-type: none"> • To respond to the COVID-19 pandemic, provincial education departments may use their allocations to fund: <ul style="list-style-type: none"> ○ projects to ensure the sustainable provision of potable water and safe sanitation in schools (these projects must be prioritised, and coordinated with projects implemented by the national DBE through the School Infrastructure Backlogs Grant) ○ the trucking of water to refill water tanks in schools subject to written approval from DBE ○ the purchasing of sanitisation materials and equipment. Grant funds can only be used for this purpose when the province has demonstrated that all other provincial reprioritisation options have been utilised • Monthly reports on COVID-19 expenditure must include information on actual spending and services delivered
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2021/22 are based on historical allocations for this grant • Allocations also include incentive-based allocations as described in part 4 to Annexure W1 of the 2021 DoRA
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Funding infrastructure through a conditional grant enables the national department to ensure the delivery and maintenance of education infrastructure in a coordinated and efficient manner, consistent with national norms and standards for school buildings
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R 10.5billion allocated, R 10.5billion (100 per cent) was transferred to provinces of which R 10.7billion (99 per cent) was spent by the end of the national financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 1 928 teaching spaces, 352 administrative spaces provided • 814 maintenance projects, 192 disaster projects, 591 water, 794 sanitisation, 156 electricity and 173 fencing infrastructure projects • 14 schools converted to full service schools • Upgrades to 9 boarding facilities, 22 sports facilities and 5 special schools • The sector has provided a total of 72 new and replacement schools in provinces
Projected life	<ul style="list-style-type: none"> • Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R11.7 billion; 2022/23: R12.2 billion and 2023/24: R 12.8 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Visit selected infrastructure sites in provinces • DBE and National Treasury to support provinces to improve infrastructure delivery capacity and systems • Provide guidance to provinces in planning and prioritisation • Issue guidelines on the capacitation process of infrastructure units as well as the conditions attached to the utilisation of the funding • DBE and National Treasury to jointly evaluate progress with the capacitation of provincial infrastructure units and provide feedback to all provinces in terms of the guidelines • DBE and National Treasury must jointly evaluate and provide feedback to all provinces on the assessment of all documents as outlined on the performance based approach system guidelines • Assess the reports submitted by provincial education departments and provide feedback before transferring the instalment • Submit reports to the National Treasury in terms of quarterly achievements by provincial education departments • Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes of the 2021 DoRA • DBE to assess and approve requests for trucking of water • DBE must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Approve monthly provincial infrastructure reports on infrastructure programmes within 15 days after the end of each month and submit to the relevant provincial treasury and DBE • Submit a signed-off monthly provincial infrastructure report on infrastructure programmes within 22 days after the end of each month to the relevant provincial treasury and DBE • Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes in 2021 DoRA • Submit quarterly capacitation reports within 22 days after the end of each quarter • Ensure that section 42 transfers as per the Public Finance Management Act are affected
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • The process for approval for the 2022 MTEF allocations will be in line with the performance based incentive approach guidelines published by National Treasury

HIV and AIDS (Life Skills Education) Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • Addressing social and structural drivers on HIV, sexually transmitted infections (STIs) and Tuberculosis (TB) prevention, care and impact • Contribute to preventing new HIV, STIs, TB and COVID-19 infections • To increase access to sexual and reproductive health services including HIV as well as TB services for learners and educators, with a specific focus on schools that are located in high priority areas
Grant purpose	<ul style="list-style-type: none"> • To support South Africa's HIV prevention strategy by: <ul style="list-style-type: none"> ◦ providing comprehensive sexuality education and access to sexual and reproductive health services to learners ◦ supporting the provision of employee health and wellness programmes for educators • To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators • To reduce the vulnerability of children to HIV, TB and STIs, with a particular focus on orphaned children and girls
Outcome statements	<ul style="list-style-type: none"> • Increased HIV, STI, TB and the COVID-19 knowledge and skills amongst learners, educators and officials • Decrease in risky sexual behaviour among learners, educators and officials • Decreased barriers to retention in schools, in particular for vulnerable learners (girls and boys)
Outputs	<ul style="list-style-type: none"> • Number of educators trained to implement comprehensive sexuality education and TB prevention programmes for learners to be able to protect themselves from HIV and TB, COVID-19 and the associated key drivers including alcohol and drug use, leading to unsafe sex, learner pregnancy and HIV infection, prioritising schools located in areas with a high burden of HIV and TB infections • 9 200 school management teams and governing bodies trained to develop policy implementation plans focusing on keeping mainly young girls in school, ensuring that comprehensive sexuality education and TB education is implemented for all learners in schools, access to comprehensive sexual and reproductive health and TB services. A provision for training will also address multiple sexual partnerships among boys and learner pregnancy prevention • Co-curricular activities on provision of comprehensive sexuality education, access to sexual and reproductive health and TB services implemented in secondary schools including a focus on prevention of alcohol and drug use and learner pregnancy and COVID-19, targeting 98 525 learners. Priority will be in schools located in high priority areas. Co-curricular activities in primary schools will focus on raising awareness of social issues and vulnerabilities such as how to report abuse and support affected learners • Care and support programmes implemented to reach 75 944 learners and 5 300 educators. Expand the appointment of Learner Support Agents to 2 750 to support vulnerable learners prioritising primary schools, using the care and support for teaching and learning framework • 301 325 copies of curriculum and assessment policy statement and COVID-19 compliant material, including material for learners with barriers to learning, printed and distributed to schools. Printing of the school policy pack will be prioritised over learner teacher support material to ensure that all schools have a copy of the Department of Basic Education's (DBE) National Policy on HIV, STIs and TB for learners, educators, support staff and officials in all primary and secondary schools in the basic education sector • Host advocacy and social mobilisation events with 158 004 learners, educators and school community members on the new DBE National Policy on HIV, STIs and TB to review and change societal norms and values on the provision of comprehensive sexuality education and access to sexual and reproductive health and TB services, including a focus on key risk behaviours such as alcohol and drug use, learner pregnancy, inter-generational and transactional sex amongst girls, multiple concurrent sexual partnerships, power relations, respect for girls and other issues that compel negative behaviour amongst boys, as well as to advocate for the integrated school health programme including provision of sexual and reproductive health services such as contraception, STIs, pregnancy and HIV testing, condom distribution and information on safe circumcision in secondary schools, as well as COVID-19 prevention and management.
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities

HIV and AIDS (Life Skills Education) Grant	
Conditions	<ul style="list-style-type: none"> • Provincial education departments (PEDs) must distribute the grant allocation in accordance with the following weights for the key performance areas: <ul style="list-style-type: none"> ○ support for COVID-19 prevention and management (to be integrated in existing focal areas) ○ training and development (15 per cent) ○ co-curricular activities (15 per cent) ○ care and support (25 per cent) ○ learning and teaching support material (15 per cent) ○ advocacy and social mobilisation (15 per cent) ○ monitoring and support (8 per cent) ○ management and administration (7 per cent) • PEDs must report on implementation and expenditure according to the above seven key performance areas per quarter • Instalments are dependent on the DBE receiving these reports, adherence to approved business plans and attendance at the biannual inter-provincial meetings • The above percentages are guidance and may be deviated from in accordance with provincial needs with the approval of the national transferring officer. However, provinces must prioritise areas with high rates of HIV, TB and learner pregnancy • Deviations should be informed and motivated by achievements and/or critical challenges relating to the trends in the epidemic as relevant to respective PEDs • PEDs must ensure they have the necessary capacity and skills to manage the implementation of the grant • First Aid Kits may no longer be funded from the conditional grant. In addition, condoms and sanitary towels must also not be funded from this conditional grant • In response to the COVID-19 pandemic, grant funds may be used to support catch-up activities and to provide education on measures to respond to the pandemic. Provinces must submit revised business plans for these activities and request deviations from the grant allocation weights listed above
Allocation criteria	<ul style="list-style-type: none"> • The education component of the provincial equitable share formula, as explained in Part 4 of Annexure W1 of the 2021 Division of Revenue Act, is used to allocate the grant amongst provinces
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • To enable the DBE to provide overall guidance, to ensure congruency, coherence and alignment with: <ul style="list-style-type: none"> ○ National Strategic Plan for HIV, TB and STIs (2017–2022) ○ DBE National Policy on HIV, STIs and TB for Learners, Educators, School Support Staff in all Primary and Secondary Schools in the Basic Education Sector • This enables DBE to exercise an oversight role on the implementation of the HIV and AIDS Life Skills Education Programme in schools
Past performance	<p>2019/2020 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R257 million allocated to provinces, R257 million (100 per cent) was transferred to provinces, of which R261 million (102 per cent) was spent by the end of the financial year. Over-expenditure was covered by the rollover approved by Provincial Treasuries in Free State, KwaZulu-Natal, Limpopo, Mpumalanga and Western Cape provinces <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 20 032 life orientation educators and 9 721 educators trained in integration of life skills in the curriculum • 97 611 functional peer education programmes were undertaken, 79 083 learners trained on the learner retention and learner pregnancy programme, 106 550 learners trained in the substance abuse programme • 12 387 school based support teams established, 4 657 learner support agents in schools, 10 613 school management teams trained to develop policy implementation plans, and 186 729 vulnerable learners identified and referred for services • 419 163 sets of learning and teaching support material delivered to 14 474 schools. Advocacy reached 225 096 learners and educators as well as 226 188 members of the school communities on the new DBE national policy on HIV, STIs and TB to review and change societal norms and values on the provision of comprehensive sexuality education and access to sexual and reproductive health and TB services and reaching 28 784 learners through advocacy activities focusing on the prevention of TB • 5 174 schools reached through monitoring and support visits
Projected life	<ul style="list-style-type: none"> • Grant will be reviewed on an ongoing basis to respond to nature and trends in the HIV and TB epidemics
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R242 million; 2022/23: R241 million and 2023/24: R242 million
Payment schedule	<ul style="list-style-type: none"> • Four instalments: 16 April 2021; 23 July 2021; 29 October 2021 and 28 January 2022
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • To provide evidence-based guidance towards the development of a standardised annual conditional grant framework and nine provincial specific annual business plans for the HIV and AIDS life skills education programme • Identify risks and challenges impacting on provincial implementation • Develop risk management strategies to address these risks • Ensure synergy with national strategies and processes aimed at reducing HIV and related chronic illnesses, such as TB infection together with the associated risk factors, such as alcohol and drug use

HIV and AIDS (Life Skills Education) Grant	
	<ul style="list-style-type: none"> • Agree on outputs and targets with PEDs in line with grant objectives and national imperatives for 2022/23 from 23 September 2021 • Monitor implementation of the programme and provide support to provinces • Establish partnerships with key stakeholders • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Ensure synergy with national strategies and processes aimed at reducing HIV and TB infections and other related issues including the associated risk factors such as alcohol and drug use • Identify risks and challenges impacting on implementation • Develop risk management strategies and implementation plans to address these risks • Submit monthly reports, quarterly and annual performance evaluation reports to the DBE in line with the 2021 Division of Revenue Act and Public Finance Management Act • Agree with the DBE on outputs and targets to ensure effective implementation of the Programme • Monitor implementation of the Programme and provide support to districts and schools • PEDs to implement the projects according to the approved business plans • Any deviation should first be communicated to and approved by the DBE before implementation • Evaluate and submit a provincial evaluation report on the performance of the conditional grant to the DBE in May/June 2021 (date will be determined by the national department)
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Communication and meeting with provinces to inform targets for 2021/22 from 29 October 2021 • PEDs submit draft business plans to DBE for evaluation from 30 November 2021 • DBE evaluates provincial business plans from 10 December 2021 • Comments sent to PEDs to amend the plans from 11 January 2022 • PEDs submit amended and signed plans to DBE from 25 February 2022 • DBE approves provincial business plans from 31 March 2022

Learners with Profound Intellectual Disabilities Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To ensure that learners with severe to profound intellectual disabilities access quality, publicly funded education and support
Grant purpose	<ul style="list-style-type: none"> • To provide the necessary support, resources and equipment to identified care centres and schools for the provision of education to children with severe to profound intellectual disabilities
Outcome statements	<ul style="list-style-type: none"> • Improved access to quality basic education for children with severe to profound intellectual disabilities in conditions that ensure dignity, promote self-reliance and facilitate active participation in the community
Outputs	<ul style="list-style-type: none"> • Output targets may be revised to accommodate COVID-19 response and budget adjustments • Human resources specific to inclusive education through the recruitment of key staff in permanent posts, including: <ul style="list-style-type: none"> ○ nine deputy chief education specialists as provincial grant managers ○ 245 transversal itinerant outreach team members recruited to guide and support curriculum delivery and provide therapeutic support in special care centres and targeted schools • Database of selected schools and special care centres, this includes: <ul style="list-style-type: none"> ○ disaggregated data of 518 special care centres that support children with severe to profound intellectual disabilities ○ disaggregated data of care giving staff in special care centres ○ disaggregated data of children enrolled in special care centres ○ disaggregated data of children with profound intellectual disabilities enrolled in targeted special care centres and schools and who are using the learning programme for children with profound disabilities ○ disaggregated data of learners from special care centres who have been placed in schools ○ disaggregated data of learners with severe intellectual disabilities that are not using the learning programme for children with profound disabilities who are awaiting placement in schools and those who, because of age cannot be placed in schools, and are participating in basic non-accredited skills, such as gardening, beadwork and cooking • Transversal itinerant outreach team members, caregivers, teachers, in-service therapists and officials trained on the learning programme for children with profound intellectual disabilities and other programmes that support teaching and learning. This will entail training of: <ul style="list-style-type: none"> ○ 245 transversal itinerant outreach team members ○ 2 970 care givers ○ 1 928 special school teachers ○ 408 in-service therapists ○ 510 officials • Outreach services provided, will include the outreach services to 12 185 children with severe to profound intellectual disability • Facilitating the use of the learning programme by children with profound intellectual disabilities in 518 special care centres and 115 schools through: <ul style="list-style-type: none"> ○ conducting assessment of children enrolled in special care centres to determine their intellectual functioning and level of support needed ○ conducting baseline assessment for learners with profound intellectual disabilities ○ assessing performance of learners using the learning programme for learners with profound intellectual disabilities ○ preparing and submitting mark schedules and report cards ○ facilitating the development of basic non accredited skills, such as gardening, beadwork, cooking, among learners with severe intellectual disabilities who are awaiting placement in schools and those who because of age cannot be placed in schools ○ providing psycho-social and other therapeutic services ○ providing learning and teaching support materials to special care centres and selected schools ○ providing assistive devices to children with severe to profound intellectual disabilities enrolled in special care centres when required ○ providing storage containers to store procured learning and teaching support materials in selected special care centres where storage is inadequate ○ providing support to schools that have enrolled learners with profound intellectual disabilities in cases where there are no in service therapists ○ providing support to learners with profound intellectual disabilities enrolled in schools in cases where there are no in service therapists <p>Response to the COVID-19 pandemic</p> <ul style="list-style-type: none"> • Number of personal protective equipment procured (by type) for transversal itinerant outreach team members, caregivers in special care centres, special care centres support staff, and learners in special care centres • Thermometers and consumables provided to 518 special care centres • Relevant technology provided to 518 special care centres to enable remote learning and access to therapy

Learners with Profound Intellectual Disabilities Grant	
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities • Annual budget and resource allocation schedules • Monitoring and reporting • Risk management plan • Cash flow projections • Participating centres and schools list (separate annexure) • Organogram for multi-disciplinary itinerant teams
Conditions	<p>Grant structure and allocation</p> <ul style="list-style-type: none"> • The grant is utilised on an interventional basis and is not a general source of funding for all special care centres and schools • The focus of the grant is children with severe to profound intellectual disabilities who are currently not accessing publicly funded education • Learners with severe, mild and moderate intellectual disabilities and with specific learning difficulties enrolled in special care centres should be assessed for placement in schools • Schools that have enrolled learners with profound intellectual disabilities should be supported through training and provision of necessary human and material resources to ensure continuous support for referred learners • A nationally approved learning programme for learners with profound intellectual disabilities should be offered at special care centres and targeted schools • Basic non-accredited skills programmes should be offered for learners with severe intellectual disabilities who are enrolled in special care centres and cannot be placed in schools • Allocations must consider the number of learners, special care centres and schools with learners with profound intellectual disabilities to ensure equitable funding • The grant will support a total of 518 special care centres and 115 targeted schools across all provinces • The allocation of funds per provincial education department (PED) should be divided as follows: <ul style="list-style-type: none"> ○ five per cent for training of teachers, therapists, officials, caregivers and outreach teams ○ 18 per cent for learning and teaching support materials, classroom furniture and equipment for special care centres and designated schools for the benefit of learners with severe to profound intellectual disabilities ○ 65 per cent for compensation of transversal itinerant outreach team members and provincial grant managers ○ 12 per cent for administration including travel, vehicles, accommodation and subsistence • Provinces may deviate from the prescribed allocations only after having complied with the conditions of the framework and obtained the relevant approval from the transferring officer. Provinces may also revise their business plans in 2021/22 to accommodate spending on the COVID-19 response. The request for deviations must be submitted to the transferring officer not later than 19 November 2021 <p>Business planning process</p> <ul style="list-style-type: none"> • The transferring and receiving departments must appoint or identify qualified and experienced person/s to administer, manage and coordinate the activities of the grant in accordance with the provisions of the framework and business plan • The receiving department must appoint outreach teams, as part of district-based support team, made up of one senior education specialist (learning support - post level 3), one chief education occupational therapist, one chief education speech therapist, one chief education physiotherapist and an educational psychologist • Outreach teams must be appointed and compensated in accordance with post levels as agreed upon with the national Department of Basic Education (DBE) • Outreach team members must be appointed as part of the district-based support team and be based at the district, circuit or school level, in order to ensure integration of the services they provide into district plans and efficiency, when they facilitate and support the implementation of the learning programme and provide psycho-social and other therapeutic support to learners enrolled in special care centres and targeted schools • Where in-service therapists are not available, outreach team members should provide therapeutic and any other support to learners with profound intellectual disabilities • Facilitating and supporting the implementation of the learning programme, shall include: <ul style="list-style-type: none"> ○ conducting intellectual assessment of children enrolled in special care centres to determine their intellectual functioning and level of support needed ○ confirm profound intellectual disabilities intellectual diagnosis of learners that are reportedly with profound intellectual disabilities in the selected targeted schools where there are no in-service therapists);

Learners with Profound Intellectual Disabilities Grant	
	<ul style="list-style-type: none"> ○ supporting caregivers and teachers in the implementation of baseline assessments lesson plans of the learning programmes for learners with profound intellectual disabilities in targeted special care centres and schools with no therapists ○ supporting caregivers in the assessment of performance of learners using the learning programme for learners with profound intellectual disabilities in special care centres ○ facilitating and supporting the preparation and submission of mark schedules and report cards of learners using the learning programme in special care centres ○ supporting teachers in targeted schools, that do not have access to in-service therapists, on the implementation of the learning programme, and the recording and reporting of learner performance ○ facilitating and supporting skills the introduction in special care centres of basic non-accredited programme for learners with severe intellectual disabilities who are awaiting placement in schools and those who because of age cannot be placed in schools ○ assessment of learners in special care centres and facilitating their placement in schools ○ providing therapeutic and psycho-social support to children/learners in special care centres and targeted schools that do not have access to therapists ○ training of caregivers, teachers, in-service therapists, officials on the learning programme for learners with profound intellectual disabilities and other programmes that directly support teaching and learning ○ effective managing of information pertaining to services provided and using this information for planning and reporting <ul style="list-style-type: none"> ● The transferring department must train outreach team members on the implementation of the learning programme for learners with profound intellectual disabilities and other programmes that enhance accountability in the implementation of the learning programme and provision of outreach services to targeted special care centres and schools ● The receiving departments, using outreach team members and other officials, must train caregivers, teachers, in-service therapists and officials on the learning programme for learners with profound intellectual disabilities (LPID), and other programmes that directly enhance accountability in the implementation of the learning programme and provision of outreach services to targeted special care centres and schools ● Provinces may contract specialist training providers to offer training that cannot be facilitated by outreach team members to directly enhance the implementation of the Learning Programme for LPID ● The receiving departments must procure learning and teaching support materials, classroom furniture and equipment, and assistive devices as per the minimum specifications defined by DBE in line with the learning programme for learners with profound intellectual disabilities as well as the basic non-accredited skills programme for learners with severe intellectual disabilities that cannot be placed in schools ● The receiving department must procure specialised tools of trade and storage equipment in special care centres and schools where storage is inadequate ● PEDs must procure additional learning and teaching support materials, assistive devices and other equipment to enable teaching and learning, depending on children's/learners' specific needs determined through the relevant assessment of children ● Procurement should include training of caregivers, teachers and end-users in the utilisation of all resources provided ● Before equipment and learning and teaching support materials can be transferred to schools/special care centres, there should be a Memorandum of Understanding (MoU) between special care centres and PEDs. In addition, PEDs should ensure that learning and teaching support materials management and administrative systems are in place and staff have the capacity to manage and maintain the learning and teaching support materials and equipment and ensure its safety ● Administrative support will include purchasing or leasing of appropriate vehicles in cases where cars have not been purchased (one car per team), purchasing of tools of trade (in line with the DBE guidelines), fuel costs, and subsistence and accommodation costs when visiting special care centres and schools with travel distance of more than 200 km or in instances where the teams will spend more than one day in an area providing outreach services ● Transport is provided for in the grant framework and hence costs incurred from use of own cars must be avoided <p>Procurement</p> <ul style="list-style-type: none"> ● PEDs must procure on their own and the grant funds and the implementation of the grant (procurement, delivery and payment) must be managed at provincial level and follow relevant procurement process as outlined in the Public Finance Management Act ● PEDs should utilise transversal contracts where available, unless they can demonstrate gains from an exemption in their business plans ● To respond to the COVID-19 pandemic, provincial education departments may, subject to submitting a revised business plan for approval by DBE, use their allocations to fund: sanitisation and provision of personal protective equipment and relevant technology to support the provision of education to children with severe to profound intellectual disabilities

Learners with Profound Intellectual Disabilities Grant	
	<ul style="list-style-type: none"> Provinces must report separately on COVID-19 expenditure, in their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> Allocations consider the number of special care centres, children with severe or profound intellectual disabilities (CSPID) in special care centres, schools that have enrolled learners referred from special care centres per province as well as the urban and rural nature of each province
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> In order to address the needs of this marginalised population of children with severe to profound intellectual disabilities that are not in school and not accessing educational subsidies through the educational norms applied at schools, the funding is ring-fenced in the form of a conditional grant. This enables the DBE to provide overall guidance to ensure congruence and coherence in programme implementation
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> Of the R221 million allocated to provinces, R212 million (96.2 per cent) was transferred to provinces. R215 million (97.6 per cent) was spent by the end of the financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> Eight of the targeted nine deputy chief education specialists were retained to manage the grant provincially 186 of the targeted 230 transversal itinerant outreach team members were recruited Database of 482 special care centres and 9809 learners enrolled in these special care centres was captured Database of 5 365 C/LSPID enrolled in 382 of the targeted 482 special care centres that were serviced during the year and five special schools are using the Learning Programme for C/LSPID was captured Database of 453 C/LSPID from special care centres placed in schools was captured. 186 transversal itinerant outreach team members, 2467 caregivers, 1089 special school teachers, 210 in-service therapists and 279 officials were trained 5 365 C/LSPID enrolled in 382 of the targeted special care centres and five schools used the Learning Programme for C/LSPID. Mark schedules and report cards were generated for these learners. 4 308 C/LSPID were provided with psychosocial and other therapeutic services. 482 Special care centres and 58 schools were provided with LTSMs Of the 482 special care centres, only data of C/LSPID from 476 was captured by PEDs 174 C/LSPID were provided with assistive devices for individual use in Gauteng, Limpopo and Western Cape. In addition, assistive devices for group use were provided in 184 special care centres in nine provinces
Projected life	<ul style="list-style-type: none"> The grant framework will be reviewed on an ongoing basis to respond to the nature and trends in the education of learners with severe to profound intellectual disabilities
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R243 million; 2022/23: R249 million and 2023/24: R260 million
Payment schedule	<ul style="list-style-type: none"> Transfer payments shall be effected in April 2021; August 2021 and January 2022
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Evaluate, approve and submit provincial business plans to National Treasury Refine monitoring and evaluation guidelines tools that will be used to monitor and evaluate the implementation of the grant Refine Standard operation procedures and tools that will be used to enhance performance management and accountability Work with PEDs in developing a guiding document to guide PEDs with the appointment of practitioners in 2022/23 on a 12-month contract to implement the learning programme in special care centres and the appointment of class assistants in 2022/23 on a 12-month contract to support teachers in schools that have enrolled learners from special care centres Train provincial grant managers and transversal itinerant outreach team members on programmes that will ensure effective implementation of the grant including the learning programme for learners with profound intellectual disabilities Monitor and support implementation of the grant by PEDs Collaborate with other government departments and ensure the provision of integrated services to CSPID DBE must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre

Learners with Profound Intellectual Disabilities Grant	
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Develop and submit approved business and procurement plans to the DBE • Manage the implementation of business plans in line with the 2021 Division of Revenue Act (DoRA) and the Public Finance Management Act to ensure that expenditure is on track and there is no withholding of transfers by transferring officer • Ensure systems, capacity and controls are in place to ensure the successful implementation of the grant • Facilitate the appointment of outreach team members and grant managers in permanent posts on or before 30 September 2021 • Work with the DBE in developing a document to guide PEDs on the appointment of practitioners in 2022 on a 12-month volunteer contract to implement the learning programme in special care centres • Work with the DBE in developing a document to guide PEDs on the appointment of class assistants in 2022 on 12-month contracts to support teachers in schools that have enrolled learners from special care centres • Ensure grant activities are implemented as approved in the business plans. Any deviation should first be communicated to the DBE in writing and approved by the transferring officer before implementation • Monitor, support and quality assure the provision of outreach services to special care centres and school on a monthly and quarterly basis or as and when required • Use the Department of Basic Education systems to collect, update, verify and submit the following disaggregated data: <ul style="list-style-type: none"> ○ targeted special care centres ○ special care centre caregiving staff data ○ children enrolled in targeted special care centres ○ learners with PID using Learning Programme for LPID and enrolled in targeted special care centres ○ learners with PID using the Learning Programme for LPID enrolled in targeted schools ○ learners who have been assessed and referred for placement in schools ○ learners from special care centres that have been placed in special, full service and ordinary schools ○ learners who are on the waiting list to be placed in schools and are participating in skills development • Use the data for planning for services to be provided and reporting • Ensure that children enrolled in special care centres are incrementally enrolled in schools on an annual basis • Ensure compliance with reporting requirements by providing consolidated quality assured and approved quarterly reports 30 days after the end of the quarter • Ensure they are informed about development in the implementation of the grant by participating in all grant inter-provincial meetings, capacity building workshops and engaging with the DBE grant staff • Facilitate collaboration with key government departments in the delivery of services to C/LSPID. This will entail the establishment of inter-departmental structures that will ensure integrated service delivery of services to children or learners with SPID • Submit annual training plans that ensure training contents support the implementation of the Learning Programme for PID as per the grant framework to the DBE • Facilitate, monitor, record and submit reports to the DBE on all training
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Communication and meeting with provinces to inform targets for the next financial year by 27 August 2021 • PEDs submit draft business plans to DBE for evaluation by 29 October 2021 • DBE evaluates provincial business plans by 16 November 2021 • Comments sent to PEDs to amend the plans by 14 December 2021 • PEDs submit amended and signed-off plans to DBE by 28 January 2022 • DBE approves provincial business plans by 19 March 2022

Maths, Science and Technology Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To strengthen the implementation of the National Development Plan and the Action Plan to 2019 by increasing the number of learners taking mathematics, science and technology subjects, improving the success rates in the subjects and improving teachers' capabilities
Grant purpose	<ul style="list-style-type: none"> • To provide support and resources to schools, teachers and learners in line with the Curriculum Assessment Policy Statements (CAPS) for the improvement of mathematics, science and technology teaching and learning at selected public schools
Outcome statements	<ul style="list-style-type: none"> • Improved learner participation and success in mathematics, science and technology subjects in the country
Outputs	<ul style="list-style-type: none"> • School support • Information, communication and technology (ICT) subject specific resources: <ul style="list-style-type: none"> ○ 300 schools supplied with subject specific computer hardware in accordance with the minimum specifications prescribed by CAPS ○ 300 schools supplied with subject related software in accordance with the minimum specifications • Workshop equipment, consumables, tools and machinery: <ul style="list-style-type: none"> ○ 200 technical schools' workshop equipment and consumables for technology subjects repaired, maintained and/or replaced in accordance with the minimum specifications ○ 200 technical schools' workshop machinery and tools for technology subjects supplied, repaired, maintained and replaced in accordance with the minimum specifications • Laboratory equipment, apparatus and consumables: <ul style="list-style-type: none"> ○ 1 000 schools supplied with mathematics, science and technology kits ○ 1 000 laboratories supplied with apparatus for mathematics, science and technology subjects in accordance with the minimum specifications ○ 500 laboratories and workshops supplied with consumables for mathematics, science and technology subjects in accordance with the minimum specifications • Learner support: <ul style="list-style-type: none"> ○ 50 000 learners registered for participation in mathematics, science and technology olympiads/fairs/expos and other events based on a structured annual calendar including support through learner camps and additional learning, teaching and support material such as study guides • Teacher support: <ul style="list-style-type: none"> ○ 1 500 participants attending specific structured training and orientation for teachers and subject advisors in subject content and teaching methodologies on CAPS for electrical, civil and mechanical technology, technical mathematics, and technical sciences ○ 1 000 teachers and subject advisors attending targeted and structured training in teaching methodologies and subject content either for mathematics, physical, life, natural and agricultural sciences, technology, computer applications technology, information technology, agricultural management and technology subjects
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities • Annual budget and resource allocation schedules • Monitoring and reporting • Risk management plan • Cash flow projections • Participating schools list (separate annexure)
Conditions	<p>Grant structure and allocations</p> <ul style="list-style-type: none"> • The grant is utilised on an interventional basis and is not a general grant for all schools • Schools' needs and allocation of funds must be identified through criteria indicated in the framework in partnership with provinces and districts in the preceding financial period • The grant will support a total of 1 000 schools across all provinces covering all mathematics, science and technology subjects from grades R-12 • The grant will support the Department of Basic Education (DBE)-Cuba Mathematics, Science and Technology Subjects Support Programme in the Eastern Cape, Gauteng, Limpopo and KwaZulu-Natal provinces • The allocations should be divided in accordance with the following guideline for Eastern Cape, Gauteng, Limpopo and KwaZulu-Natal: <ul style="list-style-type: none"> ○ 25 per cent for ICT resources including robotics, coding and ICT integration ○ 19 per cent for the supply, repair/replacement and maintenance of workshop machinery, equipment and tools ○ 19 per cent for laboratory equipment/apparatus, manipulatives and consumables

Maths, Science and Technology Grant	
	<ul style="list-style-type: none"> ○ 15 per cent for teacher support including teacher support for development of robotics and coding curriculum, and strengthening of technical subjects' curriculum ○ 15 per cent for learner support ○ one per cent for grant administration, monitoring, support and evaluation ○ 6 per cent for the DBE-Cuba Mathematics, Science and Technology Subjects Support Programme, including remuneration ● The allocations should be divided in accordance with the following guideline for Free State, Northern Cape, Mpumalanga, North West and Western Cape: <ul style="list-style-type: none"> ○ 20 per cent for ICT resources including robotics and coding and ICT integration ○ 20 per cent for the supply, repair/replacement and maintenance of workshop machinery, equipment and tools ○ 25 per cent for laboratory equipment/apparatus, manipulatives and consumables ○ 19 per cent for teacher support including teacher support for development of robotics and coding curriculum, and strengthening of technical subjects' curriculum ○ 15 per cent for learner support ○ one per cent for grant administration, monitoring, support and evaluation <p>Priorities</p> <ul style="list-style-type: none"> ● All the grant outputs are prioritised in accordance with the allocation percentages unless the province has requested a deviation and this is approved by the transferring officer <p>Outputs</p> <ul style="list-style-type: none"> ● ICT resource items should be procured as per the minimum specifications defined by the DBE and in line with CAPS. Subject specific ICT resources refer to hardware and software, which are compulsory and required by the curriculum. The grant also supports the training of all end-users in the utilisation of all ICT resources provided to a school ● Workshop equipment and machinery items should be supplied, repaired, maintained and/or replaced where appropriate in order to meet the minimum specifications defined by the DBE and in line with CAPS ● Laboratories' workshop equipment, apparatus and consumables should be procured as per the minimum specifications as defined by the DBE and in line with CAPS. This should be prioritised in line with the budget allocated to this item. These resources are provided to improve practical teaching and learning in all mathematics, science and technology subjects with special attention to mathematics and physical science ● Learner support is provided to all identified learners in line with provincial needs in support of curriculum delivery based on a structured annual calendar. This includes competition participation expenses, learner coaching, printing, delivery and mediation of study materials. This support includes study camps for identified learners as per the provincial programme including a focus on girl learners ● Teacher support is provided to all identified teachers in line with provincial needs in support of curriculum delivery. Teacher training or development should be based on a structured programme, which must be submitted to the transferring department as and when required. No ad-hoc training will be supported from the grant <p>Grant administration, monitoring and evaluation</p> <ul style="list-style-type: none"> ● All provincial grant managers are supported to manage, administer, monitor and evaluate the implementation of the grant in line with the business plan. The support includes payment for expenses such as travelling, accommodation, stationery, flight fares, subsistence and other incidental costs <p>Procurement</p> <ul style="list-style-type: none"> ● Provinces must participate in DBE's 3 year transversal contract to enable PEDs to secure 3 year contracts, but may request permission for exemption if they can demonstrate gains from such exemption. In the absence of a DBE transversal tender, provinces must continue to procure on their own ● The grant funds and implementation (procurement, delivery and payment) must be managed at provincial level unless a transversal tender has been issued or the school has demonstrated capacity, systems and controls to efficiently manage the processes of the grant ● Before funds can be transferred to schools, there should be assurance that systems, controls and capacity to manage the funds, implementation and delivery processes of the grant are in place ● In response to the COVID-19 pandemic, grant funds may be used to support catch-up activities
Allocation criteria	<ul style="list-style-type: none"> ● Participating schools should be identified according to the following criteria: <ul style="list-style-type: none"> ○ the schools must be classified in quintiles 1-3 ○ provinces may include schools in quintile 4 and 5, subject to the approval of the transferring officer (provided the average learner performance in all subjects including mathematics, science and technology is at a level below 60 per cent at Grade 12) ○ primary schools will be supported as feeder schools to secondary schools participating in the grant based on the provincial needs analysis in line with the outputs of the grant ○ at least 30 learners are enrolled for each grade in mathematics and science subjects at a general education and training, and further education and training (FET) band, and 15 learners are enrolled for technology subjects in further education and training band ○ support all agricultural focus schools

Maths, Science and Technology Grant	
	<ul style="list-style-type: none"> ○ all learners in the technical high school FET band must be enrolled for mathematics or technical mathematics
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● The grant is a targeted systemic capacity improvement programme. The number of schools requiring support is not proportionally distributed across the provinces. The level of support required by schools differs across provinces
Past performance	<p>2019/20 Audited Financial Outcomes</p> <ul style="list-style-type: none"> ● Of the R391 million allocated to provinces, R392 million (100 per cent) was transferred to provinces. R319 (82 per cent) was spent by the end of the financial year. R57 million constitute commitments emanating from slow supply chain management processes with the cumulative amount of R17 million uncommitted and thus reverting to the fiscus <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> ● Information, communication and technology (ICT): <ul style="list-style-type: none"> ○ 827 schools (130: Eastern Cape, 72: Free State, 21: Gauteng, 171: KwaZulu Natal, 0: Limpopo, 136: Mpumalanga, 147: Northern Cape, 100: North West and 50: Western Cape) ● Workshop equipment, machinery and tools: <ul style="list-style-type: none"> ○ 181 schools (0: Eastern Cape, 18: Free State, 42: Gauteng, 32: KwaZulu Natal, 0: Limpopo, 28: Mpumalanga, 10: Northern Cape, 19: North West and 32: Western Cape) ● Laboratories and workshop equipment, apparatus and consumables: <ul style="list-style-type: none"> ○ 1052 schools (273: Eastern Cape, 72: Free State, 207: Gauteng, 51: KwaZulu Natal, 3: Limpopo, 136: Mpumalanga, 127: Northern Cape, 72: North West and 111: Western Cape) ● Learner support: <ul style="list-style-type: none"> ○ 237 514 learners (19 539: Eastern Cape, 52 650: Free State, 10 880: Gauteng, 22 088: KwaZulu Natal, 60 651: Limpopo, 33 000: Mpumalanga, 11 313: Northern Cape, 6 929: North West and 20 464: Western Cape) ● Teacher support: <ul style="list-style-type: none"> ○ 18 265 teachers (1148: Eastern Cape, 540: Free State, 604: Gauteng, 722: KwaZulu Natal, 538: Limpopo, 3 200: Mpumalanga, 9 202: Northern Cape, 981: North West and 1 330: Western Cape)
Projected life	<ul style="list-style-type: none"> ● Grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> ● 2021/22: R412 million; 2022/23: R425 million and 2023/24: R433 million
Payment schedule	<ul style="list-style-type: none"> ● 7 May 2021; 13 August 2021; 12 November 2021 and 4 February 2022
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> ● Identify and analyse areas requiring support in mathematics, science and technology ● Evaluate, approve and submit provincial business plans to National Treasury ● Provide the administrative services for the grant (manage, coordinate, monitor and support programme implementation at all levels) ● Develop and distribute planning, implementation, monitoring and evaluation guidelines and/or templates including minimum specifications for school resources ● The transferring officer must develop centralised procurement processes that provinces can participate in ● Ensure compliance with reporting requirements in line with the provisions of the Division of Revenue Act (DoRA) ● Monitor implementation at provincial, district and school level on a quarterly basis or as and when required, in line with the grant framework ● Evaluate the performance of the conditional grant and submit an evaluation report to National Treasury as per the requirements of the DoRA <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> ● Identify and analyse areas requiring support in mathematics, science and technology ● Develop and submit approved business plans to DBE ● Submit lists of schools to DBE as per the timeframes set in the grant framework ● Develop and submit an approved procurement plan in line with the business plan targets by the end of the financial year ● Ensure compliance with reporting requirements by providing consolidated monthly expenditure reports 15 days after the end of the month, and quarterly reports 30 days after the end of the quarter including other monitoring or diagnostic reports and reviews as required from time to time ● Manage and implement the programme in line with the DoRA and the Public Finance Management Act ● Where applicable, 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 ● Monitor and provide support to districts/regions, circuits and schools on a monthly and quarterly basis or as and when required ● Provide human resource capacity at all relevant levels including the appointment or identification of a qualified and experienced person/s to administer, manage and co-ordinate the activities of the grant in accordance with the provisions of the framework and compliance certificates ● Evaluate the performance of the grant and submit evaluation reports to DBE within two months after the end of the financial year

Maths, Science and Technology Grant	
	<ul style="list-style-type: none"> • Implement projects according to the approved business plan. Any deviation should be communicated in writing and approved by the transferring officer before implementation • Submit school's business plans to DBE by the end of June every year if funds are being transferred to schools
	<p>Responsibilities of schools</p> <ul style="list-style-type: none"> • Submit school's needs on mathematics, science and technology to the districts as required by the province • Submit school's business plans to provinces before funds can be transferred to schools • Submit quarterly mathematics, science and technology activity reports on equipment, machinery, consumables, maintenance, learner and teaching support material and training support • Submit learner performance data for all grades in mathematics, science and technology subjects to the district and grant manager • Ensure that capacity, systems and controls are in place to implement the grant, to receive funds where a transfer to a school has been agreed upon • Receive funds from provincial departments of education and manage the procurement, delivery and payment processes where necessary • Participate in relevant structures that have been put in place to support implementation of the grant such as annual principals' meetings • Monitor and ensure the quality of work of the service providers and sign-off on the completeness of the service delivery processes
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • The first draft of the consolidated provincial business plans and revised school lists to be submitted to DBE for appraisal by 29 October 2021 • The DBE team will meet to evaluate the consolidated business plans by 12 November 2021 • The comments on the business plans will be sent to provinces for amendments by 14 December 2021 • Provinces will be required to submit approved deviations before submitting amended business plans on 28 January 2022 • Provinces will be required to submit the provincially approved amended business plans to DBE by 25 February 2022 • DBE will approve the final business plans by 9 March 2022 • DBE's transferring officer approves business plans to be submitted to the National Treasury by 18 March 2022

National School Nutrition Programme Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To enhance learning capacity and improve access to education
Grant purpose	<ul style="list-style-type: none"> • To provide nutritious meals to targeted schools
Outcome statements	<ul style="list-style-type: none"> • Enhanced learning capacity and improved access to education
Outputs	<ul style="list-style-type: none"> • 21 000 schools that prepare nutritious meals for learners
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities • Risk management plan
Conditions	<ul style="list-style-type: none"> • Spending must be in line with national and provincial business plans • The budget allocation must be distributed in terms of the following weightings for both secondary and primary schools and such weightings may be amended to enable compliance with COVID-19 requirements: <ul style="list-style-type: none"> ○ school feeding: minimum of 96.7 per cent ○ kitchen facilities, equipment and utensils: minimum of 0.4 per cent and not exceeding R10 million ○ administration: maximum of 2.7 per cent ○ nutrition education (including deworming and hygiene practices): maximum of 0.2 per cent • Minimum feeding requirements: <ul style="list-style-type: none"> ○ provide nutritious meals to learners in quintile 1 - 3 primary and secondary schools, as well as identified special schools in line with the gazetted amended school calendar ○ provide nutritious meals to targeted learners in identified quintile 4 and 5 schools in line with available resources ○ meal costs per learner will increase at a minimum of 5 per cent in all benefiting primary schools and 3 per cent for all secondary schools. Far-flung/low enrolment farm and rural schools that are receiving funds directly should be allocated a higher meal cost to cover higher transport costs ○ pay honorarium of a minimum of R1 566 per person plus R15.66 ○ the Unemployment Insurance Fund based on a food handler to learner ratio of 1:200. Food handlers must be allocated in line with approved sliding scales submitted with provincial business plans ○ comply with approved food specifications and menu specifications consisting of meals containing: starch, protein and fresh vegetable/fruit ○ fresh vegetables/fruits must be served daily and vary between green, yellow and red ○ a variety of protein-rich foods must be served in line with approved menu options ○ raw sugar beans must be packed separately from samp, not mixed in one packet ○ soya mince should not be served more than once a week and must meet approved specifications. Soya may not be used as seasoning/thickening for other dishes ○ canned pilchards/mackerel/sardines must be served at least once a week. High quality protein products can replace pilchards in areas where these are not socially acceptable ○ seasoning should be provided for all meals except on the day when milk is served ○ ultra-high temperature (UHT) treated full cream milk or pasteurised maas must be served once a week. Milk must be approved in line with dairy standards set by Milk South Africa • Provinces must support and promote sustainable food production and nutrition education in schools • Provinces must promote local economic empowerment, including procurement of fresh produce from smallholder farmers. The farmers should be registered with the Department of Agriculture, Land Reform and Rural Development and adhere to good agricultural practices • 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 • Provincial business plans will be approved in line with the above minimum requirements and available resources. The following variations may be approved by the transferring officer based on achievements and/or critical challenges in each province: <ul style="list-style-type: none"> ○ feeding days reduced to a minimum number of days determined on the basis of the gazetted school calendar ○ feeding cost below the minimum requirements, provided the quality of meals is not compromised ○ reduction in the number of learners due to learner verification ○ number of learners that exceed the gazetted quintiles ○ serving of processed vegetables or fruit in remote areas ○ quintile 1-3 schools that do not feed all learners (Gauteng and Western Cape) need to approve letters from schools requesting a deviation from whole school feeding. These letters must be provided to the provincial office and kept on record

National School Nutrition Programme Grant	
	<ul style="list-style-type: none"> ○ deviation requests from approved business plan activities must be submitted to the transferring officer not later than November 2021 ● Provinces must update and submit databases on kitchen facilities, equipment and utensils by 27 August 2021 ● The flow of the first instalment of the grant depends upon receipt by the Department of Basic Education (DBE) of: <ul style="list-style-type: none"> ○ submission of the approved transfer schedules for the 2021/22 financial year by provinces that are transferring funds to schools ○ submission of quarterly performance (narrative and indicators) and financial reports ● The flow of the May 2021 instalment of the grant depends upon receipt by the DBE of quarterly performance (narrative and indicators) and financial reports ● The flow of the December 2021 and the January 2022 instalments of the grant depend upon receipt by the DBE of: <ul style="list-style-type: none"> ○ evidence (copies of orders, invoices, etc.) of procured kitchen facilities, equipment and utensils including the names of benefiting schools ○ evidence of procurement of resources to district offices in line with approved business plans ○ submission of quarterly performance (narrative and indicators) and financial reports ● Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of budget transfers ● To respond to the COVID-19 pandemic, provinces may use grant funds for additional sanitisation in food preparation and distribution areas and the provision of personal protective equipment and training on safety measures for volunteer food handlers ● If schools are closed due to a declared state of disaster, funds from the grant that would have been spent on providing meals in schools may instead be used to provide meals to learners through alternative means ● Food parcels may be provided at a minimum of R170 nutritious food items per learner per month in line with available resources ● Provinces must report on COVID-19 activities and expenditure as part of their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> ● The distribution formula is poverty-based in accordance with the poverty distribution table used in the national norms and standards for school funding as gazetted by the Minister of Basic Education on 17 October 2008 ● Unallocated amounts will be distributed based on needs assessment reports submitted by provinces
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● The National School Nutrition Programme (NSNP) is a government programme for poverty alleviation, specifically initiated to uphold the rights of children to basic food and education ● The conditional grant framework enables the DBE to play an oversight role in the implementation of all NSNP activities in schools
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> ● Of the R7.2 billion was transferred to provinces, R7.1 billion (99.3 per cent) was spent by the end of the financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> ● 9.6 million learners were provided with meals in 21 000 primary, secondary and special schools ● 61 471 volunteer food handlers prepared meals for learners ● 3 477 small and medium enterprises and local cooperatives were contracted to supply food to learners
Projected life	<ul style="list-style-type: none"> ● It is envisaged that, given the high poverty and unemployment rates in the country, the need for such a grant will persist for at least another 10 years. The programme ensures that learners from the poorest communities have decent opportunities to learn
MTEF allocations	<ul style="list-style-type: none"> ● 2021/22: R 8.1 billion; 2022/23: R8.5 billion and 2023/24: R 8.9 billion
Payment schedule	<ul style="list-style-type: none"> ● The payment schedule will be in line with respective provincial procurement models as follows: <ul style="list-style-type: none"> ○ provinces that transfer funds directly to all schools (Eastern Cape, Free State, North West and Northern Cape) receive five instalments as follows: 8 April 2021; 20 May 2021; 17 June 2021; 9 September 2020 and 8 December 2021 ○ provinces that procure from service providers on behalf of schools receive five instalments as follows: 8 April 2021; 20 May 2021; 19 July 2021; 14 October 2021 and 27 January 2022 ○ the 20 May 2021 budget transfer is for kitchen facilities, equipment and utensils as per equipment specifications provided by the DBE ○ payment schedules may be revised in line with implementation and spending trends
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> ● Evaluate, approve and submit provincial business plans to the National Treasury ● Manage, monitor and support programme implementation in provinces and districts ● Ensure compliance with reporting requirements and National School Nutrition Programme guidelines ● Transfer funds to provinces in line with the approved payment schedule ● Consolidate and submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter

National School Nutrition Programme Grant	
	<ul style="list-style-type: none"> • Evaluate performance of the conditional grant and submit an evaluation report to the National Treasury four months after the end of the financial year • DBE must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act, and share these reports with the National Disaster Management Centre
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Develop and submit approved business plans to the DBE and amend business plans to incorporate COVID-19 activities. The business plans should include databases reflecting distribution of volunteer food handlers and cooking fuel per school • Monitor and provide support to districts/regions/area project officers and schools • Manage and implement the programme in line with the 2021 Division of Revenue Act and the Public Finance Management Act • Update and submit databases on kitchen facilities, equipment and utensils by 27 August 2021 • Ensure that districts are resourced in line with provincial business plans to conduct effective monitoring and support to schools in line with Goal 27 of the Action Plan to 2019, Towards the Realisation of Schooling 2030 • Consult districts on the development and implementation of their provincial business plans • Implement monitoring and evaluation plans • Provide human resource capacity at all relevant levels • Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE two months after the end of the financial year • Submit quarterly financial and performance reports including consolidated monitoring, reporting and response system reports to DBE after the end of each quarter • Provinces that are transferring funds to schools are required to: <ul style="list-style-type: none"> ○ develop and submit approved 2021/22 transfer schedules reflecting actual dates on which funds will be transferred to schools by 9 April 2021 ○ reconcile expenditure by schools against budget transfers on a quarterly basis. Reports for June 2021 and December 2021 on actual expenditure by schools should be submitted six weeks after the end of the quarter
	<p>Responsibilities of districts</p> <ul style="list-style-type: none"> • Monitor and support schools • Submit monthly and quarterly reports (narrative and expenditure reports to the provincial department, as well as reports on expenditure by schools, where applicable). This should include consolidated monitoring, reporting and response system reports, where applicable • Coordinate all National School Nutrition Programme activities in the district
	<p>Responsibilities of schools</p> <ul style="list-style-type: none"> • Implement the programme in line with the conditions of the National School Nutrition Programme framework • Submit reports to districts as per the provincial reporting requirements, i.e. performance and expenditure reports • Safeguarding of programme resources, i.e. cooking facilities, equipment and utensils
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • First inter-provincial meeting by May 2021 • Consultation with district officials, provincial treasuries, provincial finance sections and the National Treasury on business plans in June 2021 • Provinces submit first draft business plans to the DBE by July 2021 • DBE evaluates first draft business plans and sends comments to provinces by August 2021 • Provinces submit final approved business plans and requisite attachments to DBE by November 2021 • The transferring national officer to approve national and provincial business plans by 31 March 2022

School Infrastructure Backlogs Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • The eradication of inappropriate education structures and backlogs in basic services
Grant purpose	<ul style="list-style-type: none"> • Eradication of all inappropriate school infrastructure • Provision of water, sanitation and electricity to schools
Outcome statements	<ul style="list-style-type: none"> • Improved access to enabling learning and teaching environments • Build the capacity of provinces benefiting from an indirect grant allocation to carry out this function in the future
Outputs	<ul style="list-style-type: none"> • Number of inappropriate schools replaced and provided with related school furniture • Number of schools provided with water • Number of schools provided with sanitation • Number of times water tanks installed in schools are refilled
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses an infrastructure programme management plan (IPMP) that includes the following: <ul style="list-style-type: none"> ○ institutional framework ○ procurement and contract management plan ○ scope management ○ time management plan ○ cost management plan ○ risk management plan ○ quality management plan ○ monitoring and reporting details ○ budgeting and programme accounting details ○ performance management plan ○ communication management plan
Conditions	<ul style="list-style-type: none"> • This is an in-kind grant administered by the national Department of Basic Education (DBE) that may be transferred to a province through the Education Infrastructure Grant (EIG) if the province is able to demonstrate through a proven track record, that it has the capacity to implement the projects • DBE must submit to National Treasury an infrastructure programme management plan by 12 February 2021 • Programme governance will be conducted by the following committees established to ensure that various processes are initiated within the programme: <ul style="list-style-type: none"> ○ national steering committee ○ technical committee ○ project steering committee ○ infrastructure bid specification and evaluation committee ○ infrastructure bid adjudication committee • The provincial planning and monitoring teams (PPMTs) or equivalent in each province should meet monthly to ensure information flows between the stakeholders, unblock processes, monitor progress, and enhance cooperation • DBE must load all infrastructure funded projects in the Infrastructure Reporting Model before the start of the financial year (01 April 2021) • DBE must submit monthly project reports with cash flows to National Treasury 15 days after the end of each month, that show how actual payments and cash flows reconcile with the projected cash flow schedule and explain any deviations from the original projected cash flow • DBE must update the infrastructure project details for each funded project in the Infrastructure Reporting Model (IRM). This must be approved and submitted to National Treasury within 22 days after the end of each quarter • Assets will be transferred to custodians in the respective provinces at final completion. The provincial education departments must report in their annual report how the schools have been considered in their future maintenance plans • The DBE must agree in writing with the provinces on projects that they will administer on behalf of each province • DBE and/or implementing agents must ensure skills transfer takes place as part of the implementation of projects
Allocation criteria	<ul style="list-style-type: none"> • The grant allocation is based on the distribution of inappropriate structures and schools without access to water and sanitation across provinces • Final allocations will be based on the finalised infrastructure programme management plan of the DBE as approved by the transferring officer
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant to eradicate the basic safety norms backlogs in schools without water, sanitation and electricity, and to replace those schools constructed from inappropriate material, including mud schools, to contribute towards improved learning and teaching. The grant will be administered by the DBE to achieve maximum impact in the shortest time possible

School Infrastructure Backlogs Grant	
Past performance	<p>2019/20 audited financial performance</p> <ul style="list-style-type: none"> Allocated and transferred R1.9 billion of which R1.4 billion (74 per cent) was spent by the end of the national financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 241 new schools built, 1012 schools provided with water, 877 schools provided with sanitation and 372 schools provided with electricity (electricity sub-programme has been completed)
Projected life	<ul style="list-style-type: none"> The grant will be reviewed on an ongoing basis to respond to the nature of the infrastructure projects and the ability of provinces to take over
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R2.3 billion; 2022/23: R2.4 billion and 2023/24: R2 billion
Payment schedule	<ul style="list-style-type: none"> Payments will be made according to verified invoices from service providers or advance payments in line with approved memoranda of agreement, implementation plans and reviewed monthly cash flow projections from implementing agents
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Undertake planning of processes, activities, and Accelerated School Infrastructure Delivery Initiative (ASIDI) programme policies required to realise the outputs and identify required resources Undertake the necessary procurement measures 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 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 Harness the opportunities offered through the programme to contribute towards skills development The DBE must submit a draft skills transfer and capacity building plan for Schedule 6, Part A allocations to National Treasury by 29 June 2021 and a final plan must be submitted to National Treasury by 31 August 2021. The skills transfer and capacity building plan must set out how the capacity of benefiting provinces will be developed so that they can continue to perform the function after the Schedule 6, Part A funded project ends. The plan must set measurable targets that will be achieved over the 2021 medium-term expenditure framework. The plan must set out how existing and new capacity building initiatives will be used to achieve these targets DBE must submit an annual assessment of progress against its skills transfer and capacity building plan to National Treasury two months after the end of the national financial year DBE will convene and chair meetings of the national steering committee which will: <ul style="list-style-type: none"> provide strategic direction to the Accelerated School Infrastructure Delivery Initiative (ASIDI) programme provide general oversight on the programme ensure that the management of the programme brings together those players responsible for different elements of project success and ensure a holistic approach in support of the programme ensure that standards are in line with different prescripts e.g. norms and standards for school infrastructure are adhered to facilitate the establishment of sub-programme management, their membership, reporting modalities and their interaction with the steering committee establish the modalities linking the targeted provincial education departments with DBE supervise the programme and ensure appropriate coordination and cooperation between different agencies and departments involved facilitate the linkages between national stakeholders such as the National Treasury (infrastructure delivery improvement plan), Construction Industry Development Board, and the national departments of Human Settlements, Water and Sanitation, Minerals and Energy, and Public Works and Infrastructure ensure Accelerated School Infrastructure Delivery Initiative strategies and targets are in line with national goals and targets monitor progress in terms of national goals and targets assist the management of the programme in solving particular issues that may arise and that may require the intervention of the committee report to the Minister of Basic Education, the Council for Education Ministers, the heads of education departments committee, and senior management DBE must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery Develop a sector procurement strategy and procurement strategy for this grant in terms of the practice guide prescribed by the infrastructure delivery management toolkit DBE will develop a procurement strategy for this grant that will lead to the quickest possible achievement of the grant objectives which may require the clustering of projects across provincial boundaries Submit an approved infrastructure programme management plan including projects list to the National Treasury Ensure compliance with reporting requirements and adherence to projected cash flow schedules Consolidate and submit quarterly reports to National Treasury and the National Council of Provinces within 45 days after the end of each quarter

School Infrastructure Backlogs Grant	
	<ul style="list-style-type: none"> • Conduct site visits to selected projects to assess performance • Create the necessary organisational structures and build capacity within the department to oversee and monitor the implementation of the grant • DBE must ensure that the heads of education departments 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 meetings • Provide an operations and maintenance manual to the provincial education departments
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provide the list of schools to be included in the Accelerated School Infrastructure Delivery Initiative programme • Ensure that the list of schools identified includes all the schools that were not constructed of appropriate materials in their entirety • Ensure that the list of schools identified includes all the schools that never had basic sanitation, water and electricity • Ensure that, where schools are identified for rationalisation and mergers, DBE is made aware on time, in writing, and that all necessary supporting documents are provided • Establish provincial planning and monitoring teams that will provide support to the DBE when implementing projects funded by this grant • Convene the provincial planning and monitoring teams and report to the national steering committee • Generate a maintenance plan from the operations and maintenance manual provided
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission to National Treasury by DBE of the infrastructure programme management plan for 2022/23 projects by 15 February 2022

COOPERATIVE GOVERNANCE GRANT

Provincial Disaster Relief Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> Schedule 7, Part A
Strategic goal	<ul style="list-style-type: none"> To enable a timely response to needs after a disaster has occurred
Grant purpose	<ul style="list-style-type: none"> To provide for the immediate release of funds for disaster response
Outcome statements	<ul style="list-style-type: none"> Consequences of disasters are mitigated
Outputs	<ul style="list-style-type: none"> Repair of critical infrastructure Provision of critical goods and services
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Applications for funding from this grant use the National Disaster Management Centre (NDMC) disaster grant guideline which includes the following: <ul style="list-style-type: none"> copy of the classification letter in terms of the Disaster Management Act number of people, households, livestock and infrastructure affected and the extent of damages and losses sectors affected total funds required for disaster response resources (both financial and in-kind) allocated by the province to respond and mitigate the effects of the disaster resources (both financially and in-kind) allocated by other role players, including municipalities, national departments and non-government organisations the affected provincial sector department must indicate funds spent or contributed towards dealing with the disaster support received from non-government organisations and businesses or any other stakeholder copy of the applicable contingency plan and emergency procedures in use by the province (in terms of section 35(1)(d) of the Disaster Management Act) cost-benefit analysis of the projects to be implemented Implementation plan with the following: <ul style="list-style-type: none"> details of the projects to be repaired including Global Positioning System (GPS) coordinates costs of the projects consolidated projects cash flow over a six month period or less as an annexure to the implementation plan An application for funding contribution from the Provincial Disaster Relief Grant may be based on the rapid assessment and preliminary versions of the supporting documentation required above may be accepted for the funding application) Specifics on the rapid response capacity to implement the projects
Conditions	<ul style="list-style-type: none"> Copy of the classification letter in terms of the Disaster Management Act must be submitted to the NDMC This grant may only be used to fund expenditure in the event that the responsible line function organ of state is unable to deal with the effects of the disaster utilising their own legislation, guidelines and resources Funds from this grant must be utilised within six calendar months following the date of the transfer of the funds to the province A provincial department may request the NDMC through their Provincial Disaster Management Centre (PDMC) that an allocation be utilized for more than six calendar months after the date of transfer in terms of section 25(3)(d) of the Division of Revenue Act. NDMC to notify National Treasury of any approved extensions The emergency procurement system as provided for in the Public Finance Management Act should be invoked to ensure assistance to the affected communities Funds may only be used in line with the approved implementation plan. Any amendments to the implementation plan must be approved by the NDMC and copies of the approved amendments shared with National Treasury The provincial department must provide details of their rapid response capacity in implementing emergency projects
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated for classified disasters based on reports from assessments conducted by the NDMC and the relevant PDMC and affected sectors for immediate disaster relief needs. This should include implementation of sections 56 and 57 of the Disaster Management Act, 2002 (Act 57 of 2002). Additionally, it must be established that there are immediate disaster relief needs that cannot be met by the province through the contingency arrangements already in place. The Accounting Officer for the relevant organ of state must indicate in their application that the total funds required from the grant for disaster response exceed the available resources and or resources already allocated for disaster relief Funding may be released in tranches, with the first tranche based on the rapid assessment,

Provincial Disaster Relief Grant	
	verification of the immediate disaster relief needs and the submitted cash flow projection. The next tranches will be released once proof is submitted that the first tranche has been fully spent or committed
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This grant caters for response and relief from unforeseen and unavoidable disasters
Past performance	<p>2019/20 audited financial outcome</p> <ul style="list-style-type: none"> The following funds were transferred to the following provincial departments for response measures to Covid-19 pandemic: <ul style="list-style-type: none"> R44.5 million to Eastern Cape Department of Health (funding exhausted) R12.4 million to Free State Department of Health (expenditure to be confirmed) R115.9 million to Gauteng Department of Health (funding exhausted) R138.9 million to KwaZulu-Natal Department of Health (funding exhausted) R42.4 million to Limpopo Department of Health (funding exhausted) R33.9 million to Mpumalanga Department of Health (funding exhausted) R6.2 million to Northern Cape Department of Health (expenditure to be confirmed) R18.5 million to North West Department of Health (funding exhausted) R53.2 million to Western Cape Department of Health (funding exhausted) <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> Health facilities were provided with Personal Protective Equipment (PPE) and ventilators procured by the Eastern Cape Department of Health to contain and prevent the spread of COVID-19 pandemic Health facilities were provided with Personal Protective Equipment (PPE) and ventilators procured by the Gauteng Department of Health to contain and prevent the spread of COVID-19 pandemic Health facilities were provided with Personal Protective Equipment (PPE) and ventilators procured by the KwaZulu-Natal Department of Health to contain and prevent the spread of COVID-19 pandemic Health facilities were provided with Personal Protective Equipment (PPE) and ventilators procured by the Limpopo Department of Health to contain and prevent the spread of COVID-19 pandemic Health facilities were provided with Personal Protective Equipment (PPE) and ventilators procured by the Mpumalanga Department of Health to contain and prevent the spread of COVID-19 pandemic Health facilities were provided with Personal Protective Equipment (PPE) and ventilators procured by the Northern Cape Department of Health to contain and prevent the spread of COVID-19 pandemic Health facilities were provided with Personal Protective Equipment (PPE) and ventilators procured by the North West Department of Health to contain and prevent the spread of COVID-19 pandemic Health facilities were provided with Personal Protective Equipment (PPE) and ventilators procured by the Western Cape Department of Health to contain and prevent the spread of COVID-19 pandemic
Projected life	<ul style="list-style-type: none"> This grant is expected to continue over the 2021 medium term expenditure framework period, but will be subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R140 million; 2022/23: R145 million and 2023/24: R146 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made subject to approval by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the National Disaster Management Centre</p> <ul style="list-style-type: none"> Verify the applications for funding as per the requirements of the Disaster Management Act and Submit funding request to National Treasury for consideration within 14 days following the receipt of the assessment report and written funding request from the sector departments through the PDMCs and when all grant conditions have been met. Confirm support to be provided by relevant national sector departments to prevent duplication of support and resources Notify the relevant PDMC and provincial treasury of a transfer at least two days before transfer. Funds must be transferred no later than five days after notification Provide National Treasury with written notification of the transfer within 14 days of a transfer of the grant Submit financial report to National Treasury within 20 days of the end of each month Provide a performance report, within 45 days of the end of the quarter in which the funds were spent, to the National Treasury using the disaster allocation monitoring template agreed to with the National Treasury Together with the PDMC, monitor the implementation of disaster funded projects

Provincial Disaster Relief Grant	
	<p>Responsibilities of Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> • Together with the affected provincial departments, conduct rapid assessments of disaster impacts to verify the applications for initial funding within 14 days following the occurrence of a reported incident that meets the conditions • Conduct assessments of disaster impacts together with the NDMC and the affected provincial departments, to verify applications for funding, within 35 days of the incident while adhering to the requirements of the Disaster Management Act • Confirm support to be provided by relevant provincial sector departments to prevent duplication of support and resources • Submit requests for disaster funding, monitor projects and provide reports to the NDMC, and provincial treasury • Provide financial reports to NDMC within 15 days of the end of each month • Provide a performance report which includes evidence on progress implementation of the projects to the NDMC within 35 days of the end of the quarter in which funds are spent • Provide a performance report, within 30 days of the end of the quarter in which the funds were spent, to NDMC using the relevant disaster grant allocation-reporting template • Monitor the implementation of funded disaster project by sectors • Establish provincial project steering committees to coordinate the monitoring and reporting of implementation of projects
	<p>Responsibilities of provincial sector departments</p> <ul style="list-style-type: none"> • Cooperate with the NDMC and PDMC to conduct damage assessment and cost verification • Sector departments to submit the relevant contingency plans • Submit initial funding request within 14 days following the declaration of a disaster • Consult with the relevant national sector departments and provincial treasury for support on existing resources to address the disasters • Consult with the relevant national sector department on a funding request before submission to the PDMC • Notify provincial treasury of all requests for funding submitted • Invoke emergency procurement processes to implement the immediate disaster response projects • Monitor implementation of projects and report on their impact • Provide a financial report to the PDMC and relevant national sector department within 10 days of the end of each month, signed off by the accounting officer. Include evidence (invoices and pictures of the projects) as annexures • Provide a performance report which includes evidence, and progress on implementation of the projects, to the PDMC and relevant national sector department within 20 days of the end of the quarter in which funds are spent, signed off by the accounting officer
	<p>Responsibilities of national sector departments</p> <ul style="list-style-type: none"> • Provide support and guidance in resource mobilisation to provincial sectors before a funding request is lodged to the NDMC through the PDMC • Provide support and guidance to provincial sector departments and NDMC regarding line function related matters on assessments and costing verifications • Sector departments to submit the relevant contingency plans • Provide support and guidance to provincial sector departments and the NDMC in the preparation of funding requests • Provide support and guidance to provincial sector departments in the preparation of reports and ensure compliance to the guidelines • Monitor and evaluate implementation of projects by provincial sectors • Provide progress and closeout reports to NDMC during relevant national coordination platforms on the implementation, performance and impact of the projects • Establish an internal departmental task team to monitor, report and evaluate the impact of projects
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Not applicable

HEALTH GRANTS

Health Facility Revitalisation Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To enable provinces to plan, manage, and transform health infrastructure in line with national and provincial policy objectives
Grant purpose	<ul style="list-style-type: none"> • To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organisational development systems and quality assurance • To enhance capacity to deliver health infrastructure • To accelerate the fulfilment of the requirements of occupational health and safety
Outcome statements	<ul style="list-style-type: none"> • Improved service delivery by provincial departments as a result of an enhanced and better quality of health services • Improved quality and quantity of well-maintained health infrastructure (backlog and preventative maintenance) • Improved rates of employment and skills development in the delivery of infrastructure • Value for money and cost-effective design of facilities in line with the Framework for Infrastructure Procurement and Delivery Management (FIPDM)
Outputs	<ul style="list-style-type: none"> • Number of PHC facilities constructed or revitalised • Number of hospitals constructed or revitalised • Number of facilities maintained, repaired and/or refurbished
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The business plan for this grant consists of the following: <ul style="list-style-type: none"> ○ the User-asset Management Plan (U-AMP) for at least 10 years ○ Infrastructure Programme Management Plan (IPMP) over the 2021 medium term expenditure framework (MTEF) including a list of projects ○ annual implementation plan (AIP)
Conditions	<ul style="list-style-type: none"> • Projects should be initiated in terms of the control framework of the FIPDM stage 0 which requires an initiation report. Pre-feasibility and feasibility reports are required for all projects • With the exception of funding for costs incurred on stages 0, 1 and 2 of FIPDM, projects (business case, project brief and design) must be approved by the national transferring officer before funds can be released for such projects • The management and procurement of all projects funded through this grant must follow the prescripts of the Infrastructure Delivery Management System and FIPDM • Provinces may utilise a portion of grant funding for the appointment of public servants on a permanent basis to their infrastructure units in line with human resource capacitation circular published by National Treasury • In instances where the capacity of the provincial departments of public works is deemed insufficient, the provincial department of health will be entitled to engage alternative implementing agents, provided that supply chain management processes as prescribed in the Treasury Regulations for appointment of service providers are followed • Provincial departments of health must enter into a service delivery agreement with their implementing agents • Appropriately qualified built environment representatives from the provincial departments' infrastructure units must assist in the procurement of professional service providers and contractors by its implementing agent, through representation as a member on the specification, evaluation and adjudication committees of the implementing agent • Continuing in the 2021/22 financial year, new facilities will only be funded from the grant if proof of operational budget that includes the approved organisational structure (staff structure) is submitted prior to the approval of the clinical brief. Endorsement of the operational budget by the provincial treasury will have to be acquired as part of the approval process • Amounts of R4 million and R10 million in 2021/22 are allocated to the Western Cape through the Budget Facility for Infrastructure (BFI) for the planning of Belhar Tygerberg Hospital and Klipfontein Hospital respectively. These funds may only be used for that purpose. Should there be cost variations of more than 10 per cent on the BFI funded project, the province is required to inform National Treasury and the transferring officer within 30 days
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2021/22 are project and performance based
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Funding infrastructure through a conditional grant enables the national department to ensure the delivery, rehabilitation, maintenance and upgrading of health infrastructure in a coordinated and efficient manner and ensure consistency with national norms, standards and guidelines for health facilities
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R6.4 billion made available R6.4 billion was transferred to provinces (100 per cent), of which R6.2 billion (96.9 per cent) was spent by provinces <p>2019/20 service delivery performance</p>

Health Facility Revitalisation Grant	
	<ul style="list-style-type: none"> • 3 new facilities completed • 60 facilities maintained • 16 facilities upgraded and renovated • 26 facilities commissioned in terms of health technology
Projected life	<ul style="list-style-type: none"> • Health is a key government priority and given the need to continually maintain health infrastructure to ensure that norms and standards are maintained, the grant will remain in place until at least the end of the 2021 MTEF
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R6.4 billion; 2022/23: R 6.9 billion and 2023/24: R7.2 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers are made on a quarterly basis in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Coordinate and facilitate site visits • Attend quarterly provincial infrastructure progress review meetings with National Treasury • Provide guidance to provinces on planning, prioritisation and evaluating of U-AMP, IPMP, AIP, project proposals and concept reports that provinces develop and submit • Review if provinces comply with the FIPDM • Issue guidelines on the capacitation process of infrastructure units, as well as the conditions attached to the utilisation of funds • National Department of Health (DoH) and National Treasury must jointly evaluate progress with capacitation of provincial infrastructure units and provide feedback to all provinces • DoH must submit quarterly infrastructure reports to National Treasury, according to the template agreed between National Treasury and DoH, within 45 days after the end of each quarter
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provincial departments must hold progress review meetings with the relevant implementing agents • Annual implementation plans signed-off by the Head of Department, sent to the DoH for approval by 5 March 2021 • The 2021 MTEF project list as captured in the AIP for both current and capital budgets should cover: <ul style="list-style-type: none"> ○ maintenance of infrastructure ○ renovations, upgrading and additions of infrastructure ○ new and replacement of infrastructure ○ health technology provision organisational development and quality assurance interventions linked to infrastructure projects • Provinces must submit to national DoH quarterly reports for all projects funded in the 2021/22 financial year in this grant to the Infrastructure Reporting Model (IRM) through the project management information system (PMIS) • Provincial departments of health must align infrastructure plans (U-AMP and IPMP) with their respective Strategic Plans and Annual Performance Plans • Provinces will include or transfer to Department of Public Works the list of completed projects to be part of their asset register • Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • The process for approval for the 2022 MTEF will be in line with the performance-based incentive approach guidelines published by National Treasury and national DoH • Submission of the U-AMP for 2022/23 by PDoH to National Treasury and DoH by 29 June 2021 • Submission of the IPMP for 2020/21 by PDoH to National Treasury and DoH by 31 August 2021 • Submission of the final 2022/23 project list aligned with the MTEF Allocations and AIP by 4 March 2022

HIV, TB, Malaria and Community Outreach Grant	
Transferring department	<ul style="list-style-type: none"> Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> The implementation of the National Strategic Plan on the HIV, Sexually Transmitted Infections (STIs) and Tuberculosis (TB) 2017 – 2022 and implementation of the National Strategic Plan on Malaria Elimination 2019 – 2023 To improve access to community based primary care services through Ward Based Primary Health Care Outreach Teams (WBPHCOTs) There are eight components to this grant that allow for the achievement of the stated strategic goal: <ul style="list-style-type: none"> HIV and AIDS component (with a separate framework) TB component (with a separate framework) Community outreach services component (with a separate framework) Malaria elimination component (with a separate framework) Human Papillomavirus (HPV) component (with a separate framework) Mental Health Services component (with a separate framework) Oncology Services component (with a separate framework) COVID-19 component (with a separate framework)
Grant purpose	<ul style="list-style-type: none"> To enable the health sector to develop and implement an effective response to HIV and AIDS To enable the health sector to develop and implement an effective response to TB To ensure provision of quality community outreach services through Ward Based Primary Health Care Outreach Teams To improve efficiencies of the Ward Based Primary Health Care Outreach Teams programme by harmonising and standardising services and strengthening performance monitoring Prevention and protection of health workers from exposure to hazards in the work place To enable the health sector to develop and implement an effective response to support the effective implementation of the National Strategic Plan on Malaria Elimination 2019 – 2023 To enable the health sector to prevent cervical cancer by making available HPV vaccinations for grade seven school girls in all public and special schools and progressive integration of Human Papillomavirus into the integrated school health programme
Outcome statements	<ul style="list-style-type: none"> As specified in the eight component frameworks
Outputs	<ul style="list-style-type: none"> As specified in the eight component frameworks
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> As specified in the eight component frameworks
Conditions	<ul style="list-style-type: none"> As specified in the eight component frameworks
Allocation criteria	<ul style="list-style-type: none"> As specified in the eight component frameworks
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> As specified in the eight component frameworks
Past performance	<p>2019/20 audited financial performance</p> <ul style="list-style-type: none"> As specified in the five component frameworks <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> As specified in the five component frameworks
Projected life	<ul style="list-style-type: none"> As specified in the eight component frameworks
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R27.6 billion; 2022/23: R27.9 billion and 2023/24: R27.1 billion, of which the eight components are allocated: <ul style="list-style-type: none"> Community Outreach Services Component: 2021/22: R2.5 billion; 2022/23: R2.6 billion and 2023/24: R2.6 billion COVID-19 Component: 2021/22: R1.5 billion; 2022/23: R900 million HIV and AIDS Component: 2021/22: R22.6 billion; 2022/23: R23.3 billion and 2023/24: R23.4 billion HPV Component: 2021/22: R220 million; 2022/23: R225 million and 2023/24: R226 million Malaria Elimination Component: 2021/22: R104 million; 2022/23: R108 million and 2023/24: R108 million Mental Health Services Component: 2021/22: R103 million; 2022/23: R107 million and 2023/24: R107 million Oncology Services Component: 2021/22: R108 million; 2022/23: R112 million and 2023/24: R117 million TB Component: 2021/22: R506 million; 2022/23: R525 million; and 2023/24: R526 million
Payment schedule	<ul style="list-style-type: none"> Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> As specified in the eight component frameworks <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> As specified in the eight component frameworks
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> As specified in the eight component frameworks

HIV, TB, Malaria and Community Outreach Grant: Community Outreach Services Component	
Transferring department	<ul style="list-style-type: none"> Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> To improve access to community based primary care services through Ward Based Primary Health Care Outreach Teams (WBPHCOTs)
Grant purpose	<ul style="list-style-type: none"> To ensure provision of quality community outreach services through WBPHCOTs by ensuring Community Health Workers (CHWs) receive remuneration, tools of trade and training To improve efficiencies of the WBPHCOT programme by harmonising and standardising services and strengthening performance monitoring
Outcome statements	<ul style="list-style-type: none"> Improved access to quality primary care services at community level with a focus on preventive and promotive care, screening for health conditions and referral for relevant services
Outputs	<ul style="list-style-type: none"> Number of community health workers receiving a stipend Number of community health workers trained Number of HIV defaulters traced Number of TB defaulters traced
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> Output indicators Milestones with projected dates when these will be achieved Description of how the project will be managed including roles and responsibilities of national and provincial departments Key activities and resource schedule Cash flow projections
Conditions	<ul style="list-style-type: none"> The grant must be used for the implementation of the WBPHCOTs Policy Framework and Strategy A business plan must be completed and signed-off by the receiving officer and submitted to the transferring officer by 26 February 2021 and signed by the transferring officer and submitted to the National Treasury by 31 March 2021 All contracted non-governmental organisations receiving funding from this grant must have a service level agreement with the relevant provincial department of health including performance indicators Provinces that have contracted non-governmental organisations for the programme should make transfer payments as per the stipulations of section 8.4 of the Treasury Regulations and section 38(1)(j) of the Public Finance Management Act To respond to the COVID-19 pandemic, funds may be used for COVID-19 screening and contact tracing Provinces must report separately on COVID-19 expenditure in their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> Allocations are based on the existing number of CHWs providing community-based services in all provinces
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> Community outreach services are a national priority that require systematic, focused implementation and monitoring in order to achieve the desired outputs, outcomes and impact on defined health indicators
Past performance	<p>2019/20 audited financial outcome</p> <ul style="list-style-type: none"> Of the R1.7 billion made available, R1.7 billion was transferred to provinces (100 per cent), of which R1.6 billion (96.8 per cent) was spent by provinces <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 45 880 Community Health Workers receiving stipend 29 184 Community Health Workers trained 3 569 Outreach Team Leaders trained 6 509 680 under 5 years seen 20 435 787 five year and above seen 313 687 HIV defaulters traced 26 392 TB defaulters traced
Projected life	<ul style="list-style-type: none"> Subject to policy developments that will be finalised as part of the implementation of National Health Insurance
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R2.5 billion; 2022/23: R2.6 billion and 2023/24: R2.6 billion
Payment schedule	<ul style="list-style-type: none"> Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Manage, monitor and support community outreach services planning and implementation Visit provinces twice a year to monitor implementation and provide support Report to the National Treasury on indicators agreed upon between the two departments Meet with National Treasury to review grant performance on a quarterly basis DoH must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre

HIV, TB, Malaria and Community Outreach Grant: Community Outreach Services Component	
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Completion of the business plan, in the prescribed format, signed by each receiving officer (provincial department) by 26 February 2021 • Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national Department of Health, clearly indicating measurable objectives and performance targets as agreed with NDoH.. • Provide a list of contracted non-governmental organisations that will provide services • Provincial departments must provide the national Department of Health with full and unrestricted access to all records and data related to the programme and must facilitate the achievement of grant outputs • Include the indicators in the provincial annual performance plans and ensure compliance with the Division of Revenue Act • Ensure that all national indicator data set indicators related to CHWs are entered into the district health information system and that there is accordance between the metrics in the district health information system and the Division of Revenue Act reporting for COS • COS component to be managed as part of the HIV TB, Community Outreach Services and Malaria Grant by the provincial grant manager; however, each province must assign an official to manage the Community Outreach Services component to ensure accountability and reporting on COS financial and non-financial output indicators • Record and report COS component expenditure separately from the HIV, TB, Community Outreach Services and Malaria grant (create an appropriate category in the fund segment on the Basic Accounting System)
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of draft business plans to the national Department of Health by 29 October 2021 • Submission of final business plans to the national Department of Health by 25 February 2022 • Submission of final business plans to the National Treasury by 31 March 2022

HIV, TB, Malaria and Community Outreach Grant: COVID-19 Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To reduce the spread of, and morbidity and mortality caused by COVID-19
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to rollout COVID-19 vaccine
Outcome statements	<ul style="list-style-type: none"> • Improved coordination and collaboration in the rollout of COVID-19 vaccine
Outputs	<ul style="list-style-type: none"> • Number of healthcare workers rolling out the vaccine funded through the grant broken down by category • Number of vaccine doses administered, broken down by <ul style="list-style-type: none"> ○ Type of vaccine ○ Target group (phase 1, 2, 3 and 4) ○ One dose vaccine and two dose vaccine • Number of clients fully vaccinated • Number of vaccines procured (quantify per type)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The business plans must quantify <ul style="list-style-type: none"> ○ planned spending on commodities, human resources, contracted community pharmacies and other private vaccination providers ○ output targets ○ indicative number of individuals to be vaccinated through each implementation platform
Conditions	<ul style="list-style-type: none"> • The grant component must only be used to fund activities related to the health sector's rollout of the COVID-19 vaccine • Progressive rollout to each target groups must be in line with the phased implementation as detailed in the national COVID-19 vaccine rollout strategy
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on population and number of clients to be vaccinated per province • Further allocations may be made during the financial year, based on an assessment of the need in different provinces and the availability of funds
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • COVID-19 response is a national priority that requires ring-fenced funding and a coordinated response for the country as a whole and this is effectively achieved through a conditional grant
Past performance	<p>2019/20 audited financial performance</p> <ul style="list-style-type: none"> • New component <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • New component
Projected life	<ul style="list-style-type: none"> • Until 2022/23 or longer, depending on the duration of the COVID-19 vaccine rollout
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R1.5 billion; 2022/23: R900 million
Payment schedule	<ul style="list-style-type: none"> • Instalments will be based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Submission of quarterly report to the National Treasury as prescribed by the Division of Revenue Act and monthly expenditure with variance explanations in terms of the Public Finance Management Act • Allocate vaccines procured by the national department equitably, according to need and taking into account the size of each target group as defined in the national rollout strategy • Maintain the electronic vaccine data system (EVDS) • Maintain up-to-date stock surveillance system, showing the number of vaccines available in each facility <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Quarterly performance output reports to be submitted to national Department of Health using standard formats as determined by the national department. • Each province to establish a COVID-19 Vaccine Task Team responsible for overseeing implementation in the province • Procure needles, syringes and waste disposal for vaccine rollout • Develop vaccine demand plans for the full financial year and continuously update the national department on need for further doses of vaccine. • Ensure that the electronic vaccine data system (EVDS) is updated and used • Maintain up-to-date stock surveillance system, showing the number of vaccines available in each facility. • In respect of vaccinations administered in the public sector to medical scheme members, ensure that revenue is collected from medical schemes in line with prescribed tariffs • Clearly indicate measurable objectives and performance targets as agreed with the national department in the provincial departmental business plans for 2021/22 and over MTEF period
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Not applicable, depending on the duration of the pandemic

HIV, TB, Malaria and Community Outreach Grant: HIV and AIDS Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • The implementation of the National Strategic Plan on the HIV, Sexually Transmitted Infections and Tuberculosis (TB) 2017 – 2022
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to develop and implement an effective response to HIV and AIDS • Prevention and protection of health workers from exposure to hazards in the work place
Outcome statements	<ul style="list-style-type: none"> • Improved coordination and collaboration in the implementation of HIV and AIDS grant component between national and provincial government • Improved quality of HIV and AIDS response including access to: <ul style="list-style-type: none"> ○ HIV counselling and testing ○ antiretroviral treatment (ART) ○ adherence monitoring and support ○ prevention of mother-to-child-transmission ○ medical male circumcision
Outputs	<ul style="list-style-type: none"> • Number of new patients started on ART • Total number of patients on ART remaining in care • Number of male condoms distributed • Number of female condoms distributed • Number of infants tested through the Polymerase Chain Reaction test at 10 weeks • Number of clients tested for HIV (including antenatal) • Number of medical male circumcisions performed • HIV new positive eligible client initiated on TPT (Tuberculosis Preventive Therapy) • Number of ART patients decanted to DMoC (Differentiated Models of Care)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • The following priority areas must be supported through the grant: <ul style="list-style-type: none"> ○ ART related interventions ○ care and support ○ condom distribution and high transmission area interventions ○ post exposure prophylaxis ○ prevention of mother to child transmission ○ programme management strengthening (PMS) ○ regional training centres ○ HIV counselling and testing ○ medical male circumcision
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on antenatal HIV prevalence, estimated share of AIDS cases and population numbers post-demarcation
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • HIV, AIDS and TB are key national priorities and require a coordinated response for the country as a whole and this is effectively achieved through a conditional grant
Past performance	<p>2019/20 audited financial performance</p> <ul style="list-style-type: none"> • Allocated and transferred R19.7 billion to provinces of which R19.5 billion (99 per cent) was spent by provinces by the end of the national financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 725 201 new patients that started on ART • 5 015 476 patients on ART remaining in care • 642 886 644 male condoms distributed • 16 632 792 female condoms distributed • 1 284 exposed infants HIV positive at 10 weeks PCR test • 18 829 648 clients tested for HIV (including antenatal) • 413 057 DHIS, 531 988 inclusive of partners and private sector medical male circumcisions performed • 508 351 patients on ART initiated on isoniazid preventative therapy (IPT)
Projected life	<ul style="list-style-type: none"> • Ongoing in line with National Strategic Plan on the HIV, Sexually Transmitted Infections and TB 2017 – 2022
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R22.6 billion; 2022/23: R23.3 billion and 2023/24: R23.4 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Visit provinces twice a year to monitor implementation and provide support • Report to the National Treasury on an additional set of indicators agreed upon between the two departments • Meet with National Treasury to review grant performance on a quarterly basis

HIV, TB, Malaria and Community Outreach Grant: HIV and AIDS Component	
	Responsibilities of provincial departments <ul style="list-style-type: none"> • Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department, clearly indicating measurable objectives and performance targets as agreed with national Department of Health
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of draft business plans to the national Department of Health by 29 October 2021 • Submission of final business plans to the national Department of Health by 28 January 2022 • Submission of final business plans to the National Treasury by 31 March 2022

HIV, TB, Malaria and Community Outreach Grant: Human Papillomavirus Component	
Transferring department	<ul style="list-style-type: none"> Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> To reduce the incidence of cancer of the cervix through the provision of the Human Papillomavirus (HPV) vaccination to grade five school girls in all public schools and special schools
Grant purpose	<ul style="list-style-type: none"> To enable the health sector to prevent cervical cancer by making available HPV vaccinations for grade five school girls in all public and special schools and progressive integration of Human Papillomavirus (HPV) into the Integrated School Health Programme (ISHP)
Outcome statements	<ul style="list-style-type: none"> Increased access to HPV vaccines by grade five school girls in all public and special schools
Outputs	<ul style="list-style-type: none"> 80 per cent of grade five school girls aged 9 years and above vaccinated for HPV first dose 80 percent of schools with grade five girls reached by the HPV vaccination team with first dose 80 per cent of grade five school girls aged 9 years and above vaccinated for HPV second dose 80 per cent of schools with grade five girls reached by the HPV vaccination team with second dose
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> The grant component uses a business plan that should contain the following: <ul style="list-style-type: none"> agreed upon services output indicators inputs key activities and allocation risk management plans cash flow management
Conditions	<ul style="list-style-type: none"> Completion of the business plan in the prescribed format determined by the national Department of Health (DoH), signed and submitted by each receiving officer to the transferring officer by 26 February 2021 and submitted to National Treasury by 31 March 2021 Ensure provinces include HPV vaccination indicators in provincial annual performance plans Grant funding must also be used to strengthen capacity in provinces to manage the programme Social mobilisation to promote the uptake of the HPV vaccination to prevent cervical cancer should be done as part of the ISHP In the 2021/22 financial year, the target group for vaccination will be grade five girls
Allocation criteria	<ul style="list-style-type: none"> Allocations based on the number of grade five girls and schools with grade five from the education management information system in each province
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> Cervical cancer is a high national priority and requires uniform implementation to achieve the minimum coverage of 80 per cent and have the desired impact of significantly reducing incidences of cervical cancer
Past performance	<p>2019/20 audited financial outcome</p> <ul style="list-style-type: none"> Allocated and transferred R170 million, of which R170 million (100 per cent) was spent <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 87.5 per cent of grade four school girls aged 9 years and above vaccinated for HPV 92.4 per cent of schools with grade four girls reached by the HPV vaccination team 76.7 per cent of grade five school girls aged 9 years and above vaccinated for HPV 84.7 per cent of schools with grade four girls reached by the HPV vaccination team
Projected life	<ul style="list-style-type: none"> Grant will continue until 2021/22, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R220 million; 2022/23: R225 million and 2023/24: R226 million
Payment schedule	<ul style="list-style-type: none"> Payments will be made according to the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Manage the contracts for vaccines and the supporting information systems Monitor and support provincial planning and implementation and meet the province twice a year to review performance Meet with National Treasury to review the performance of the grant on a quarterly basis Strengthen the capacity of provinces to deliver the HPV vaccination programme <p>Responsibilities of provincial department</p> <ul style="list-style-type: none"> Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme Assign a dedicated official the responsibility of managing the HPV vaccination programme Where possible, utilise existing human resource and transport capacity at all relevant levels and augment capacity where needed on a contractual basis
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Draft business plans for 2022/23 must be submitted in an approved format by 29 October 2021 Final business plans signed by each receiving officer must be submitted to the transferring officer by 28 January 2022 and submitted to the National Treasury by 30 March 2022

HIV, TB, Malaria and Community Outreach Grant: Malaria Elimination Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • The implementation of National Strategic Plan on Malaria Elimination 2019 - 2023
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to develop and implement an effective response to support the implementation of the National Strategic Plan on Malaria Elimination 2019 - 2023
Outcome statements	<ul style="list-style-type: none"> • Improved implementation of malaria strategies in support of malaria elimination efforts
Outputs	<ul style="list-style-type: none"> • Number of malaria-endemic municipalities with 95 per cent or more indoor residual spray (IRS) coverage • Percentage confirmed cases notified within 24 hours of diagnosis in endemic areas • Percentage of confirmed cases investigated and classified within 72 hours in endemic areas • Percentage of identified health facilities with recommended treatment in stock • Percentage of identified health workers trained on malaria elimination • Percentage of population reached through malaria information education and communication (IEC) on malaria prevention and early health-seeking behaviour percentage of vacant funded malaria positions filled as outlined in the business plan • Number of malaria camps refurbished and/or constructed
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • The business plan, signed by the provincial HoD and in the prescribed format, must be submitted to the national Department of Health (DoH) by 26 February 2021. The approved business plan must be submitted by national DoH to National Treasury by 31 March 2021 • The following priority areas must be supported through the grant: <ul style="list-style-type: none"> • Malaria surveillance, prevention, treatment <ul style="list-style-type: none"> ○ mobile active testing units ○ testing and treating through active testing in the community ○ health promotion activities which address IRS importance, preventative measures taken during travel to endemic areas and treatment seeking behaviour. • Malaria vector control <ul style="list-style-type: none"> ○ indoor residual spraying ○ integrated vector management activities ○ Improvement of IRS camp infrastructure • Programme management strengthening for malaria elimination through hiring of staff for approved malaria posts • Provinces must maintain funding for malaria from their equitable share at 2016/17 levels, as adjusted for inflation • The grant may be utilised to strengthen programme and administrative human resources capacity
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on malaria incidence and provincial equitable share allocations in endemic provinces
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Malaria is a key national priority, and a seasonal disease, and requires a coordinated response during defined periods for all endemic provinces which is most effectively achieved through a conditional grant and not all provinces are affected
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R90 million made available, R90 million was transferred to provinces (100 per cent), of which R76 million (84.2 per cent) was spent by provinces <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 13 per cent of malaria endemic municipalities with > 95 per cent indoor residual spray (IRS) coverage • 43 per cent confirmed cases notified with 24 hours of diagnosis in the endemic districts • 53 per cent of confirmed cases receiving recommended treatment (severe cases), 74 per cent confirmed cases receiving recommended treatment (uncomplicated cases) • 110 per cent of identified health workers trained on malaria elimination • 71 per cent of social mobilization information education and communication (IEC) campaigns conducted • 98 per cent of vacant funded malaria positions filled
Projected life	<ul style="list-style-type: none"> • Ongoing in line with National Strategic Plan on Malaria Elimination
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R104 million; 2022/23: R108 million and 2023/24: R108 million
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Visit provinces twice a year to monitor implementation and provide support • Report to the National Treasury on an additional set of indicators agreed upon between the two departments • Meet with National Treasury to review grant performance on a quarterly basis

HIV, TB, Malaria and Community Outreach Grant: Malaria Elimination Component	
	Responsibilities of provincial departments <ul style="list-style-type: none"> • Quarterly financial and performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department, indicate measurable objectives and performance targets as agreed with NDoH. Reports must include budgets and expenditure under both provincial equitable share and the conditional grant.
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of final business plans to the national Department of Health by 25 February 2022 • Submission of final business plans to National Treasury by 31 March 2022

HIV, TB, Malaria and Community Outreach Grant: Mental Health Services Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To achieve universal health access through the phased implementation of National Health Insurance (NHI) and to improve access to quality healthcare services
Grant purpose	<ul style="list-style-type: none"> • To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers
Outcome statements	<ul style="list-style-type: none"> • Implementation of strategic purchasing platform for healthcare providers • Strengthen mental healthcare services delivery in primary health and community-based mental health services • Improved forensic mental health services
Outputs	<ul style="list-style-type: none"> • Number of health professionals contracted (total and by discipline) • Percentage increase in the number of clients of all ages seen at ambulatory (non-inpatient) services for mental health conditions • Percentage reduction in the backlog of forensic mental observations
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Output indicators, including: • Key activities and resource schedule • Monitoring and evaluation plan • Risk management plans and cash flow projections
Conditions	<ul style="list-style-type: none"> • Submission of completed and signed-off business plan and by the receiving officer by 28 February 2021 to transferring officer and submission by transferring officer to National Treasury by 31 March 2021
Allocation criteria	<ul style="list-style-type: none"> • As identified in the business plan, allocations will be based on the following criteria: <ul style="list-style-type: none"> ○ prevalence of identified conditions and provinces with greatest needs will be prioritised ○ number of health professionals contracted ○ defined reduction in specified backlogs
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The principle of a single fund is articulated in the Cabinet approved White Paper on NHI. This situation calls for dedicated funding which will allow for institutionalization over time as a single NHI Fund
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • New Grant <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • New grant
Projected life	<ul style="list-style-type: none"> • Remain in place until the NHI Fund is created through legislation passed by Parliament
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R103 million; 2022/23: R107 million and 2023/24: R107 million
Payment schedule	<ul style="list-style-type: none"> • Payments will be made according to approved payment schedule.
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Submission of quarterly financial and non-financial performance reports to the National Treasury • Support the provinces in implementation of business plans and conduct provincial oversight support at least once a year. <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Facilitate the achievement of grant outputs and ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant • Submission of quarterly financial and non-financial performance reports to the national DoH • Provincial health departments must provide the national DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of signed business plan by the transferring officer to the National Treasury by 31 March 2022

HIV, TB, Malaria and Community Outreach Grant: Oncology Services Component	
Transferring department	<ul style="list-style-type: none"> Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> To achieve universal health access through the phased implementation of National Health Insurance (NHI) and to improve access to quality healthcare services
Grant purpose	<ul style="list-style-type: none"> To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers
Outcome statements	<ul style="list-style-type: none"> Implementation of strategic purchasing platform for healthcare providers Enhance access to healthcare services for cancer patients
Outputs	<ul style="list-style-type: none"> Number of health professionals contracted (total and by discipline) Number of patients seen per type of cancer Percentage reduction in oncology treatment including radiation oncology backlog
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> Number of health professionals to be contracted, including: Output indicators, including: Key activities and resource schedule Monitoring and evaluation plan Risk management plans Cash flow projections
Conditions	<ul style="list-style-type: none"> Submission of completed and signed-off business plan by the receiving officer to the transferring officer on 28 February 2021 and by the national transferring officer by 31 March 2021 to the National Treasury
Allocation criteria	<ul style="list-style-type: none"> As identified in the business plan, allocations will be based on the following criteria: <ul style="list-style-type: none"> provinces with greatest needs will be prioritised provinces currently referring oncology service to other districts
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The principle of a single fund is articulated in the Cabinet approved White Paper on NHI. This situation calls for dedicated funding which will allow for institutionalisation over time as a single NHI Fund
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> New Grant <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> New grant
Projected life	<ul style="list-style-type: none"> Remain in place until the NHI Fund is created through legislation passed by Parliament
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R108 million; 2022/23: R112 million and 2023/24: R117 million
Payment schedule	<ul style="list-style-type: none"> Payments will be made according to approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Submission of quarterly financial and non-financial performance reports to the National Treasury Conduct at least one provincial support visits to each province <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Facilitate the achievement of grant outputs and ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant Submission of quarterly financial and non-financial performance reports to the national DoH with respect to the continuation of provision and funding of existing programmes and services Provincial health departments must provide the national DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Submission of signed business plan by the transferring officer to the National Treasury by 31 March 2022

HIV, TB, Malaria and Community Outreach Grant: TB Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • The implementation of the National Strategic Plan on the HIV, Sexually Transmitted Infections and Tuberculosis (TB) 2017 – 2022
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to develop and implement an effective response to TB
Outcome statements	<ul style="list-style-type: none"> • Improved coordination and collaboration in the TB response between national and provincial governments • Improved quality of TB (including drug resistant-TB) services including access to prevention, screening, testing, treatment and adherence monitoring and support
Outputs	<ul style="list-style-type: none"> • Number of TB symptom clients screened in facility (rates for under 5 years and 5 years and older) • Number of patients tested for TB using Xpert • Number of eligible HIV positive patients tested for TB using urine lipoarabinomannan assay • Percentage of TB clients 5 years and older starting on treatment • Percentage of confirmed TB Rifampicin Resistant patients started on treatment • Number of eligible clients initiated on Delamanid containing regimen
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • Submission of the business plan by provincial departments, in the prescribed format, to the national Department of Health (DoH) and signed by the provincial HoD by 28 February 2021
Allocation criteria	<ul style="list-style-type: none"> • Allocation is based on TB workload cases and population numbers post-demarcation
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • TB, multi-drug resistant, and extremely drug resistant strains, are key national priorities and require a countrywide coordinated response which is best achieved through a conditional grant
Past performance	<p>2019/20 audited financial performance</p> <ul style="list-style-type: none"> • Of the R504 million made available, R504 million was transferred to provinces (100 per cent), of which R504 million (100 per cent) was spent by provinces <p>2019/20 service delivery performance (of target set in business plans)</p> <ul style="list-style-type: none"> • 133 838 missing undiagnosed TB infected persons found • 9 089 clients initiated on new DR-TB drug • 88.3 per cent TB screening in facility rate • 97.1 per cent of all TB clients started on treatment • 71.1 per cent of confirmed TB Rifampicin Resistant started on treatment • 79.4 per cent TB client treatment success rate • 2 076 726 people tested for TB using Xpert • 10.3 per cent TB client loss to follow up rate (2018 Cohort)
Projected life	<ul style="list-style-type: none"> • Ongoing in line with National Strategic Plan on the HIV, Sexually Transmitted Infections and TB 2017 – 2022
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R506 million; 2022/23: R525 million and 2023/24: R526 million
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Visit provinces twice a year to monitor implementation and provide support • Meet with National Treasury to review grant performance on a quarterly basis <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department. Submit an electronic version to be followed by a hard copy signed by the provincial grant receiving manager • Clearly indicate measurable objectives and performance targets as agreed with the national Department of Health in the signed business plans for 2021/22 • Must assign an official to be responsible for this component
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of draft business plans to the national Department of Health by 29 October 2021 • Submission of final business plans to the national Department of Health by 28 January 2022 • Submission of final business plans to the National Treasury by 31 March 2022

Human Resources and Training Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To contribute to the implementation of the national human resource plan for health through the clinical training and supervision of health science trainees in designated public health facilities in South Africa • Effective implementation of the human resources for health strategy, and health workforce capacity development for sustainable service delivery
Grant purpose	<ul style="list-style-type: none"> • To appoint statutory positions in the health sector for systematic realisation of the human resources for health strategy and the phase-in of National Health Insurance • Support provinces to fund service costs associated with clinical training and supervision of health science trainees on the public service platform
Outcome statements	<ul style="list-style-type: none"> • Progressive realisation of the national human resource plan for health • Clinical training and supervision capacity established in designated developmental provinces (Northern Cape, North West, Limpopo, Mpumalanga and Eastern Cape) • Enhanced access to healthcare services, by addressing critical skills shortages in underserved communities
Outputs	<ul style="list-style-type: none"> • Number and percentage of statutory posts funded from this grant (per category and discipline) and other funding sources • Number and percentage of registrars posts funded from this grant (per discipline) and other funding sources • Number and percentage of specialists posts funded from this grant (per discipline) and other funding sources
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Non-financial business plan – number of specialists, registrars, medical officers, clinical supervisors/tutors per category in nursing, emergency medical services, allied health, pharmacy and grant administration staff funded from the grant • Financial business plan – allocation by economic classification to each category of clinical trainer/supervisor
Conditions	<ul style="list-style-type: none"> • Submission of an approved business plan in the prescribed format signed by the provincial Head of Department to the national Department of Health by 26 February 2021, and to the National Treasury by 31 March 2021 • Cost of administration of the grant must not exceed 1 per cent of the total grant allocation • This grant has two components <p>Statutory Human Resources Component</p> <ul style="list-style-type: none"> • The statutory human resources component must only be utilised for funding of statutory posts <p>Training Component</p> <ul style="list-style-type: none"> • The training component must prioritise all registrar posts and the balance of the allocation may be utilised for specialist (supervisors) and other approved categories • A total of R24 million has been allocated for the developmental portion and the breakdown per province is as follows: <ul style="list-style-type: none"> ○ Eastern Cape R8 million ○ Limpopo R5 million ○ Mpumalanga R4 million ○ Northern Cape R3 million ○ North West R4 million • The developmental allocation will be withheld and transferred to other developmental provinces if a province fails to spend these funds. Developmental allocations are only applicable to the training component
Allocation criteria	<ul style="list-style-type: none"> • Training component is based on historical allocations and spending patterns • Statutory Human Resources component allocations are based on the following criteria: <ul style="list-style-type: none"> ○ provinces with greatest needs have been prioritised ○ number of statutory posts ○ future projections of professional production versus need
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Provinces give effect to the national human resource strategy through the clinical training and supervision of health science trainees on the public health service platform • National coordination is needed for health science training • To ensure that the additional human resources funded through this component address unmet health needs as opposed to perpetuating historical allocation patterns
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Statutory Human Resources Component: Allocated and transferred R906 million to provinces, of which R968 million (106 per cent) was spent by the end of the financial year • Training Component: Allocated and transferred R2.9 billion to provinces, of which R2.9 billion (99.1 per cent) was spent by the end of the national financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • Statutory Human Resources Component:

Human Resources and Training Grant	
	<ul style="list-style-type: none"> ○ 3 139 statutory posts funded • Training Component: <ul style="list-style-type: none"> ○ 284 specialists ○ 1 369 registrars ○ 304 medical officers ○ 851 clinical supervisors/trainers per category in nursing, emergency medical services and allied health and pharmacy ○ 11 grant administration staff employed
Projected life	<ul style="list-style-type: none"> • The grant is subject to review at the end of the 2021 MTEF. Its projected life will be guided by the need for health science trainees to be trained and supervised on the public health service platform
MTEF allocations	<ul style="list-style-type: none"> • Total Allocation is 2021/22: R4.1 billion; 2022/23: R4 billion and 2023/24: R4 billion of which <ul style="list-style-type: none"> ○ Training Component - 2021/22: R2.8 billion; 2022/23: R2.8 billion and 2023/24: R2.8 billion ○ Statutory Human Resources Component - 2021/22: R1.3 billion; 2022/23: R1.2 billion and 2023/24: R1.2 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments as per approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Convene at least one annual meeting of national or provincial and facility programme managers • Monitor the number of health science trainers/clinical supervisors that are responsible for health science training on the public health service delivery platform • Conduct a minimum of one site visits to provinces and site visits to selected facilities on a rotational basis • Submission of quarterly financial and non-financial performance reports to the National Treasury • Meet with National Treasury to review the performance of the grant
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provinces are encouraged to maintain a separate budget for each benefiting facility/cluster • Monitor the implementation of the grant and report quarterly to national DoH • Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems • All developmental provinces must ring-fence the developmental allocation and report on the implementation progress • To report on the number of clinical supervisors associated with clinical training and supervision of students, funded on the public health service delivery platform: <ul style="list-style-type: none"> ○ number of specialists ○ number of registrars ○ number of medical officers ○ number of clinical associates ○ number of postgraduates ○ number of clinical supervisors/trainers per category in nursing, emergency medical services (EMS) and allied health and pharmacy ○ number of grant administration staff
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Draft business plans for 2022/23 must be submitted in the approved format by 29 October 2021 • Completion of an approved business plans, in the prescribed format, signed by each receiving officer by 28 January 2022 and the transferring officer by 31 March 2022

National Health Insurance Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To achieve universal health access through the phased implementation of National Health Insurance (NHI) and to improve access to quality healthcare services
Grant purpose	<ul style="list-style-type: none"> • To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers
Outcome statements	<ul style="list-style-type: none"> • Implementation of strategic purchasing platform for primary healthcare providers
Outputs	<ul style="list-style-type: none"> • Number of health professionals contracted (total and by discipline) • Number of patients seen by contracted health professionals
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Number of health professionals to be contracted, including: <ul style="list-style-type: none"> ○ process of accreditation of providers ○ performance monitoring requirements ○ processes for the management and reimbursement of health professionals ○ output indicators, including: <ul style="list-style-type: none"> ○ target population ○ number of patients to access care ○ elimination of backlogs ○ key milestones with projected dates when these will be achieved ○ key activities and resource schedule ○ monitoring and evaluation plan ○ risk management plans ○ cash flow projections
Conditions	<ul style="list-style-type: none"> • Submission of completed and signed business plans by receiving officer to transferring officer on 26 February 2021 and submission to National Treasury by transferring officer on 31 March 2021 • The funding will be used for the following services: <ul style="list-style-type: none"> ○ contracting of health practitioner services for primary care units and where services are rendered at level one hospitals, it should be for the benefit of primary health care ○ with respect to addressing surgical backlogs, provincial health departments to supply verified data on backlogs • This grant may not fund the costs of drugs, materials, consumables and laboratory tests • Provinces must not use a service provider for the administration of contracting of health practitioners
Allocation criteria	<ul style="list-style-type: none"> • As identified in the business plan, allocations are based on the following criteria: <ul style="list-style-type: none"> ○ prevalence of identified conditions ○ provinces with greatest needs are prioritised ○ number of health professionals contracted ○ defined reduction in specified backlogs
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The principle of a single fund is articulated in the Cabinet approved White Paper on National Health Insurance. This situation calls for dedicated funding which will allow for institutionalisation over time as a single NHI Fund
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R289 million made available for the NHI Indirect Grant, R262 million (90,4 per cent) was spent <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • Number of health professionals contracted: 247 • Number of health professionals contracted through capitation arrangements: capitation model only completed at year-end and no contracting had started yet • Improved identification and management of high risk pregnancies: funds reprioritised – not achieved
Projected life	<ul style="list-style-type: none"> • Expected to remain in place until the NHI Fund is created through legislation
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R269 million; 2022/23: R272 million and 2023/24: R272 million
Payment schedule	<ul style="list-style-type: none"> • Payments will be made quarterly (in advance) in line with approved programme implementation plans with the service providers
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of national department</p> <ul style="list-style-type: none"> • Support provincial departments to ensure achievement of grant outcomes • Conduct monitoring and evaluation of the grant • Submission of quarterly financial and non-financial performance reports to the National Treasury in the prescribed format

National Health Insurance Grant	
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Facilitate the achievement of grant outputs • Ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant • Submission of quarterly financial and non-financial performance reports to the national DoH with respect to the continuation of provision and funding of existing programmes and services • Provincial health departments must provide the national DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Provinces must submit business plans by a date stipulated by the national Department of Health • Submission of signed business plan by the transferring officer to the National Treasury by 31 March 2022

National Health Insurance Indirect Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • To strengthen the public healthcare system in preparation for National Health Insurance (NHI), design of NHI through innovative testing of new reforms and to improve quality of services at primary health care facilities • To achieve universal health access through the phased implementation of NHI and to improve access to quality healthcare services • To ensure appropriate health infrastructure that is in line with national and provincial policy objectives • This grant has three components: <ul style="list-style-type: none"> ○ Health Facility Revitalisation Component ○ Non-Personal Services Component ○ Personal Services Component
Grant purpose	<ul style="list-style-type: none"> • To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance (NHI) • To enhance capacity and capability to deliver infrastructure for NHI • To accelerate the fulfilment of the requirements of occupational health and safety • Expand the alternative models for the dispensing and distribution of chronic medication • Develop and roll-out new health information systems in preparation for NHI • Enable the health sector to address the deficiencies in the primary health care facilities systematically to yield fast results through the implementation of the Ideal Clinic programme • To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers
Outcome statements	<ul style="list-style-type: none"> • As specified in the three component frameworks
Outputs	<ul style="list-style-type: none"> • As specified in the three component frameworks
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • As specified in the three component frameworks
Conditions	<ul style="list-style-type: none"> • As specified in the three component frameworks
Allocation criteria	<ul style="list-style-type: none"> • As specified in the three component frameworks
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • As specified in the three component frameworks
Past performance	<p>2018/19 audited financial outcome</p> <ul style="list-style-type: none"> • As specified in the three component frameworks <p>2018/19 service delivery performance</p> <ul style="list-style-type: none"> • As specified in the three component frameworks
Projected life	<ul style="list-style-type: none"> • Subject to policy developments that will be finalised as part of the implementation of NHI
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R2.1 billion; 2022/23: R2.5 billion and 2023/24: R2.8 billion of which the three components are: <ul style="list-style-type: none"> ○ Health Facility Revitalisation Component: 2021/22: R1.2 billion; 2022/23: R1.5 billion and 2023/24: R1.8 billion ○ Non-Personal Services Component: 2021/22: R614 million; 2022/23: R705 million and 2023/24: R711 million ○ Personal Services Component: 2021/22: R328 million; 2022/23: R327 million and 2023/24: R331 million
Payment schedule	<ul style="list-style-type: none"> • As specified in the three component frameworks
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • As specified in the three component frameworks <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • As specified in the three component frameworks
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • As specified in the three component frameworks

National Health Insurance Indirect Grant: Health Facility Revitalisation Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • To ensure appropriate health infrastructure that is in line with national and provincial policy objectives
Grant purpose	<ul style="list-style-type: none"> • To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance (NHI) • To enhance capacity and capability to deliver infrastructure for NHI • To accelerate the fulfilment of the requirements of occupational health and safety
Outcome statements	<ul style="list-style-type: none"> • Appropriate procurement of service providers for infrastructure delivery for NHI • Improved spending, performance, monitoring and evaluation of infrastructure projects for NHI • Improved employment and skills development in the delivery of infrastructure for NHI • Value for money and cost-effectively designed facilities in line with the Framework for Infrastructure Delivery and Procurement Management (FIDPM) • Improved patient experience of care
Outputs	<ul style="list-style-type: none"> • Number of PHC facilities constructed or revitalised • Number of hospitals constructed or revitalised • Number of facilities maintained, repaired and/or refurbished
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The infrastructure programme management plan (IPMP) for the 2021 medium term expenditure framework (MTEF) aligned to the infrastructure delivery management system and FIDPM will be submitted on 28 May 2021 and will include the following: <ul style="list-style-type: none"> ○ costed project lists with annual cash flow projections per project for the full duration of the projects on the programme ○ projected milestones per project for FIDPM control framework stages indicating current stage of the project
Conditions	<ul style="list-style-type: none"> • The national Department of Health (DoH) must, in consultation with the provinces, have in place an intergovernmental protocol framework covering the 2021 MTEF and outlining how the grant will operate as well as the responsibility and functions of each sphere. Project sheets will form part of the agreement • Should there be an amendment to an existing protocol agreement, the amended agreement should be submitted to the National Treasury by 29 June 2021 • Prior to submitting the IPMP, each provincial department must have signed-off a project sheet for all projects funded from the grant which lists scope of work, current stage and anticipated target dates for achieving stages of the control framework, operational budgets (i.e. personnel, equipment, etc.) and maintenance budgets • With all new projects, DoH must comply with FIDPM processes • For projects with a total project cost exceeding R500 million, DoH must notify National Treasury when FIDPM stage 3 is reached • The grant component must only be spent on projects included in the business plan and project lists signed by provinces. Projects can only be added to the business plan as part of the adjustment budget process, subject to National Treasury approval • Appropriately qualified built environment representatives from the national department must assist in the procurement of professional service providers and contractors by its implementing agent • DoH may utilise a portion of grant funding for the appointment of public servants on 36 month contracts to their infrastructure units. The amount that can be used for this is determined in terms of the conditions set in terms of the 2021 Appropriation Act • All completed projects must have a close-out report with a documented maintenance plan • New facilities will only be funded from the grant if proof of operational budget that includes the approved organisational structure (staff structure) is submitted prior to the approval of the clinical brief. Endorsement of the operational budget by the provincial treasury must be acquired as part of the approval • The amounts earmarked for Limpopo Academic Hospital may only be used for this project and are subject to the conditions set out in Annexure B of the 2021 MTEF allocation letter of the Department of Health • An amount of R253 million is allocated to Limpopo through the Budget Facility for Infrastructure (BFI) for the construction of the Limpopo Academic Hospital. These funds may only be used for that purpose. Should there be cost variations of more than 10 per cent on the BFI funded project, the province is required to inform National Treasury and the transferring officer within 30 days
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2021/22 are project based
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Funding infrastructure through an indirect conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner that is consistent with national norms, standards and guidelines for health facilities
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated R856 million of which R853 million (99,6 per cent) was spent by the end of the financial year

National Health Insurance Indirect Grant: Health Facility Revitalisation Component	
	<p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 2 new facilities completed • 39 facilities maintained • 2 (completed) facilities upgraded, extended, renovated and refurbished
Projected life	<ul style="list-style-type: none"> • NHI is a key government priority and given the need to continually maintain health infrastructure and ensure that norms and standards are maintained, the grant will continue over the 2021 MTEF, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R1.2 billion, 2022/23 R1.5 billion and 2023/24: R1.8 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly payments made according to verified and approved invoices from the services providers
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Build and demonstrate the capacity necessary to manage this grant • Ensure alignment between the IPMP and the annual performance plan • Undertake the infrastructure development cycle to the extent agreed with the provinces in the implementation protocol agreements • Convene progress review committees with appropriate reporting and invite National Treasury and Provinces • DoH must maintain an up-to-date database (project management information system), infrastructure reporting model (IRM) with all contracts that are fully or partially funded by this grant and provide the IRM report on a monthly basis • Meet with National Treasury to review grant performance on a quarterly basis • Collaboration and coordination with provincial departments of health for the full development cycle of infrastructure development in respect of projects funded by this grant • In instances where the capacity of the DoH and the provincial department are deemed insufficient, DoH is entitled to engage alternative implementing agents, provided that supply chain management processes as prescribed in the Treasury Regulations for the appointment of service providers are followed. In those cases, service level agreements between DoH and the implementing agent must be in place • DoH must convene quarterly progress review committee meetings with all project managers, implementing agents and National Treasury for monitoring and oversight of the performance of all funded projects • Provide provincial departments of health with progress of the projects under this grant for inclusion in provincial annual reports • DoH must submit quarterly infrastructure reports to National Treasury, according to the agreed template between National Treasury and DoH, within 45 days after the end of each quarter <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provinces must ensure that the completed projects are included in the asset registers of the provincial departments of public works • Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant by the DoH • All immovable asset management and maintenance responsibilities of the completed projects under this grant as prescribed by the Government Immovable Asset Management Act of 2007 rests with the provinces • Provinces should report on 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. The projects must be included in the provincial user-asset management plans
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of a draft IPMP to the National Treasury by 31 August 2021 • Submission of the final IPMP to the National Treasury by 31 March 2022 • Submission of signed implementation protocol by 24 June 2022

National Health Insurance Indirect Grant: Non-Personal Services Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • To strengthen the public healthcare system in preparation for National Health Insurance (NHI) • To strengthen the design of NHI through innovative testing of new reforms • To improve the quality of services at primary health care facilities • To improve the quality of services in health care facilities
Grant purpose	<ul style="list-style-type: none"> • To expand the alternative models for the dispensing and distribution of chronic medication • To develop and roll out new health information systems in preparation for NHI, including human resource for health information systems • To enable the health sector to address the deficiencies in primary health care facilities systematically and to yield fast results through the implementation of the Ideal Clinic programme • To implement a quality improvement plan
Outcome statements	<ul style="list-style-type: none"> • Improved access to and quality of healthcare through: <ul style="list-style-type: none"> ○ expansion of the alternative dispensing and distribution model for chronic medication ○ improved quality health services in all primary health care facilities through the Ideal Clinic programme ○ building and implementation of the enterprise architecture design for national health insurance digital information systems ○ development and implementation of systems for medicines stock management and procurement ○ certification of all public health facilities by Office of Health Standards Compliance (OHSC)
Outputs	<ul style="list-style-type: none"> • Alternative chronic medicine dispensing and distribution model implemented • Intern Community Service Programme (ICSP) system maintained and improvements effected • Number of new and number of total patients registered in the programme, broken down by the following: <ul style="list-style-type: none"> ○ antiretroviral treatment ○ antiretroviral with co-morbidities ○ non-communicable diseases ○ number of pickup points (state and non-state) • Number and percentage of primary healthcare facilities peer reviewed against the Ideal Clinic standards • Number and percentage of primary healthcare facilities achieving an ideal status • Number of public health facilities implementing the health patient registration system • Number and percentage of the population registered on the health patient registration system • National data centre hosting environment for NHI information systems established • Number of primary healthcare facilities implementing an electronic stock monitoring system • Number of hospitals implementing an electronic stock management system • Number of fixed health establishments reporting medicines availability to the national surveillance centre • Number of Quality Learning Centres established • Number of facilities improving their baseline OHSC scores (or other approved quality metrics)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Input, output indicators and outcome indicators • Milestones with projected dates when this will be achieved • Description of how the project will be managed including the roles and responsibilities of national and provincial departments • Key activities and resource schedule • Monitoring and evaluation plan • Risk management plans and cash flow projections
Conditions	<ul style="list-style-type: none"> • Completion of a business plan by the national Department of Health (DoH) signed by the transferring officer by 31 March 2021 and submitted to the National Treasury by 31 March 2021 • All information systems developed and implemented under this grant component must comply with the interoperability norms and standards as approved by the National Health Council • No more than three per cent of this grant component may be used for grant administration
Allocation criteria	<ul style="list-style-type: none"> • The alternative chronic care medication dispensing and distribution model allocations will be based on the volume of patients per province • Ideal clinic sub-component allocation is based on the number of identified facilities and their needs in each province • Information systems sub-component is not allocated per province and will be utilised towards the development and making sure that implementation is standardised across provinces, districts and public health facilities, and towards the establishment of unified health information and management of health commodities for the country
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The importance of central coordination in the development of models and the establishment of NHI to inform ongoing NHI designs

National Health Insurance Indirect Grant: Non-Personal Services Component	
	<ul style="list-style-type: none"> • Ideal Clinic is a key national priority and requires a systematic implementation to achieve quality health care services • In line with the National Health Act sections 74(1) and 74(2), the national department has to develop and coordinate all Health Information Systems in the country. This is a complex programme with many facets that requires an iterative process of testing and implementation in a phased manner. This situation calls for dedicated funding which will allow for institutionalisation over time
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R633 million made available, R490 million was spent (77 per cent) for the 2018/19 financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 3 381 731 patients enrolled for receiving medicines through the centralised chronic medicines dispensing and distribution (CCMDD) programme • 467 (94 per cent) of PHC facilities peer reviewed • 1 906 (56 per cent) of PHC facilities achieving an ideal status • 3 059 PHC facilities and 34 hospitals implementing the Health Patient Registration System • 45 286 288 individuals from the population registered on the NHI Patient Beneficiary Registry • 3 300 PHC facilities implementing an electronic stock replenishment system • 378 hospitals implementing an electronic stock replenishment system • A base capitation model for the reimbursement of PHC facilities not implemented
Projected life	<ul style="list-style-type: none"> • Subject to policy developments that will be finalised as part of the implementation of NHI
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R614 million, 2022/23: R705 million and 2023/24: R711 million
Payment schedule	<ul style="list-style-type: none"> • Payments will be made according to verified invoices or advance payments in line with approved programme implementation plans from the service providers • Monthly instalments which may be altered at the discretion of National Treasury based on invoices paid
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • To establish contracts with service providers for the delivery of goods and services as necessary in the four sub-components outlined above • 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 • Manage, monitor and support provincial programme planning and implementation • Meet with the National Treasury to review the performance of the grant on a quarterly basis • Strengthen the capacity of provinces to realise and maintain Ideal Clinic status • Maintain the Ideal Clinic software • Evaluate the impact of quality improvement activities and submit preliminary reports on progress to National Treasury and the Presidency by 30 July 2021 and 1 December 2021 and a final report by 31 May 2022 <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Facilitate the achievement of grant outputs • Delegate a person responsible for managing the Ideal Clinic programme, health patient registration system programme, medicines information systems and Central Chronic Medicine Dispensing and Distribution (CCMDD), respectively • Provinces are responsible for ensuring medicines availability to service providers for the CCMDD programme aligned to the medicines formulary • Ensure compliance with all reporting requirements and adherence to the provisions of service level agreements • Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems (storage space for filing cabinets etc.) • Include performance indicators related the four sub-components in the provincial annual performance plans • Provinces must develop draft implementation plans to assume responsibility for the centralised chronic medicines dispensing and distribution, Ideal Clinic and information systems • Submit quarterly performance reports to national DoH
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of the business plan signed by the transferring officer on 31 March 2022 to National Treasury

National Health Insurance Indirect Grant: Personal Services Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • To achieve universal health access through the phased implementation of National Health Insurance (NHI) and to improve access to quality healthcare services
Grant purpose	<ul style="list-style-type: none"> • To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers
Outcome statements	<ul style="list-style-type: none"> • Implementation of the strategic purchasing platform for healthcare providers • Development of a risk-adjusted capitation model for the reimbursement of primary healthcare (PHC) services • Enhance access to healthcare services for obstetric and cancer patients
Outputs	<ul style="list-style-type: none"> • Number of health professionals contracted (total and by discipline) • Number of health professionals contracted through capitation arrangements • Risk adjusted capitation model developed
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Number of health professionals to be contracted, including: <ul style="list-style-type: none"> ○ process of accreditation of providers ○ performance monitoring requirements ○ processes for the management and reimbursement of health professionals • Output indicators, including: <ul style="list-style-type: none"> ○ target population ○ number of patients to access care ○ elimination of backlogs ○ key milestones with projected dates when these will be achieved • Key activities and resource schedule • Monitoring and evaluation plan • Risk management plans • Cash flow projections
Conditions	<ul style="list-style-type: none"> • The funding will be used for the following services: <ul style="list-style-type: none"> ○ addressing oncology backlogs. Provincial health departments to supply verified data on oncology backlogs and all costs of drugs, consumables and laboratory tests to be covered by the provincial health department ○ contracting of the national health laboratory services for pathology related services including supply of test kits • Submission of completed and signed-off business plan and implementation framework by the national transferring authority by 31 March 2021 to the National Treasury
Allocation criteria	<ul style="list-style-type: none"> • As identified in the business plan, allocations will be based on the following criteria: <ul style="list-style-type: none"> ○ prevalence of identified conditions ○ provinces with greatest needs will be prioritised ○ number of health professionals contracted ○ defined reduction in specified backlogs
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The principle of a single fund is articulated in the Cabinet approved White Paper on National Health Insurance. This situation calls for dedicated funding which will allow for institutionalisation over time as a single NHI Fund
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R80 million made available, R65 million (81 per cent) was spent <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 9 health professional contracted (two General Practitioners, two psychiatrists and four clinical psychologists) • zero health professionals contracted through capitation arrangements • three per cent reduction in the backlog of forensic mental observations • 9 149 patients receiving radiation oncology • 1 251 people with mental health problems seen by a psychiatrist or psychologist at district level
Projected life	<ul style="list-style-type: none"> • Remain in place until the NHI Fund is created through legislation passed by Parliament
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R328 million; 2022/23: R327 million and 2023/24: R331 million
Payment schedule	<ul style="list-style-type: none"> • Payments will be made according to verified invoices or advance payments in line with approved business plans
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • The national Department of Health (DoH) will be responsible for the creation of the interim structures until the NHI Fund is fully established • A committee comprising of national DoH and National Treasury officials has been established, with specific terms of reference to set up the NHI Fund • Establishment of a steering committee comprising of the national DoH and the National Treasury to oversee the implementation and progress of the NHI Fund • Submission of quarterly financial and non-financial performance reports to the National Health

National Health Insurance Indirect Grant: Personal Services Component	
	<p>Council and the National Treasury</p> <p>Responsibilities for the interim structures prior to the establishment of the NHI Fund</p> <ul style="list-style-type: none"> • The interim structures, prior to the establishment of the NHI Fund will be responsible for feasibility testing of contracting and strategic purchasing of personal health services from appropriately accredited health care providers on behalf of the covered population • The interim structure will be responsible for the following functions: <ul style="list-style-type: none"> ○ develop mechanisms for purchasing of services funded by NHI ○ develop mechanisms for procuring of goods including drugs, medical equipment and technology on behalf of providers that will be contracted for NHI ○ develop payment strategies for contracted providers at various levels of care ○ process utilisation transactions received from contracted service providers ○ collate utilisation data, and implement information management systems ○ develop contracting and payment policies ○ supervise the actual contracting with hospitals at provincial and central levels • Submission of quarterly financial and non-financial performance reports to the national DoH <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Facilitate the achievement of grant outputs • Ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant • Submission of quarterly financial and non-financial performance reports to the national DoH with respect to the continuation of provision and funding of existing programmes and services • Provincial health departments must provide the national DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of signed business plan by the transferring officer to the National Treasury by 31 March 2022

National Tertiary Services Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 4, Part A
Strategic goal	<ul style="list-style-type: none"> • To enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform
Grant purpose	<ul style="list-style-type: none"> • Ensure the provision of tertiary health services in South Africa • To compensate tertiary facilities for the additional costs associated with the provision of these services
Outcome statements	<ul style="list-style-type: none"> • Modernised and transformed tertiary services that allow for improved access and equity to address the burden of disease • Accelerated modernisation of tertiary services in developmental provinces (Eastern Cape, Limpopo, Mpumalanga, Northern Cape and North West)
Outputs	<ul style="list-style-type: none"> • Number of inpatient separations • Number of day patient separations • Number of outpatient first attendances • Number of outpatient follow-up attendances • Number of inpatient days • Average length of stay by facility (tertiary) • Bed utilisation rate by facility (all levels of care)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses business plans which are signed between the national Department of Health (DoH) and each province and contain the following: <ul style="list-style-type: none"> ○ provincial and institutional allocations ○ tertiary services specifications (approved YES list) funded by the grant, by facility by province ○ annual targets for inpatient separations, inpatient days, day patient separations, outpatient first visits, outpatient follow up visits per facility per province per year ○ monitoring and reporting responsibilities ○ validation and revision of data ○ deviations or changes to tertiary services ○ referral responsibilities ○ approved business plan ○ approved specialists funded from the grant (approved specialist detail list) ○ national guidelines on definitions of tertiary services that may be funded by the grant
Conditions	<ul style="list-style-type: none"> • Submission of an approved business plan in the prescribed format signed by the provincial Head of Department to the national DoH by 26 February 2021, and the National Treasury by 31 March 2021 • The grant allocation to each central/provincial tertiary facility must not exceed a maximum of 65 per cent of the total facility budget • To facilitate the acceleration of modernisation of tertiary services in developmental provinces, up to 10 per cent of the provincial grant allocation should be used for the development of tertiary services currently not provided in the province or expansion of critical services where there is currently a backlog of untreated patients, where an existing service requires the appointment of a Health Professionals Council of South Africa registered specialist and in accordance with nationally approved business plans • An amount of R62 million has been allocated for the developmental portion for four provinces. The breakdown per province is as follows: <ul style="list-style-type: none"> ○ Eastern Cape: R31 million ○ Limpopo: R14 million ○ Mpumalanga: R7 million ○ North West: R10 million • All developmental provinces must ring-fence the developmental allocation and report on their implementation progress • Cost of administration of the grant must not exceed one per cent of the total grant allocation • The following amounts in the allocation to Gauteng are earmarked to fund the operations of the Nelson Mandela Children's Hospital: <ul style="list-style-type: none"> ○ R282 million in 2021/22 ○ R299 million in 2022/23 ○ R315 million in 2023/24 • Total remuneration packages for the staff at the Nelson Mandela Children's Hospital, paid from this grant and any other sources, may not exceed Department of Public Service and Administration approved remuneration rates; total remuneration packages must be captured and submitted to both the provincial, and the national departments of Health • The services offered by the Nelson Mandela Children's Hospital should be integrated into the service delivery platform in collaboration with relevant provinces, particularly Gauteng
Allocation criteria	<ul style="list-style-type: none"> • Based on historical allocations and spending patterns, with additional allocations for four developmental provinces
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • There are significant cross-boundary flows associated with tertiary services that are not affected by provincial boundaries due to their specialised nature

National Tertiary Services Grant	
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> Allocated and transferred R13.4 billion to provinces, of which R13.3 billion (98.8 per cent) was spent by the end of the national financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 778 648 inpatient separation 388 399 day patient separations 1 210 403 outpatient first attendances 3 136 458 outpatient follow up attendances 4 939 695 inpatient days
Projected life	<ul style="list-style-type: none"> Support for tertiary services will continue because of the need to sustain and modernise tertiary services
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R13.7 billion; 2022/23: R14 billion and 2023/24: R14 billion
Payment schedule	<ul style="list-style-type: none"> Monthly instalments as per the payment schedule approved by National Treasury except for the Nelson Mandela Children's Hospital where the first payment will be made in April 2021. Additional payments will be made in July and October 2021 based on evidence of satisfactory performance
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Convene at least one annual meeting of national, provincial and facility programme managers Monitor expenditure by economic classification, and patient activity and provide on-site support to facilities/complexes and provinces Conduct a minimum of two site visits to provinces and a minimum of one site visit to facilities/complexes. Provincial visits to include facilities Identify the national need for service delivery and facilitate the development of those services through business plan planning processes <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Completion of a provincial service level agreement/memorandum of understanding signed by the receiving officer and the benefiting institution by 30 March 2021 and submission to the national DoH by 28 April 2021 (due date for Nelson Mandela Children's Hospital is 26 March 2021) Provinces must provide the allocated amounts for individual funded facilities/clusters to the relevant provincial treasury for gazetting as per the number of agreed-upon business plans per province and facility/cluster by 23 April 2021 Provinces must maintain a separate budget for each benefiting facility The receiving officer must supply the head of each benefiting facility/complex with a budget letter which includes their equitable share allocation by 30 April 2021 Conduct a minimum of two site visits to each budgeted facility/complex per annum and submit reports of these site visits to the national DoH Submission of updated specialist details funded by the equitable share at facility level by 30 November 2021 Submission of updated specialist details funded by the grant at facility level by 30 November 2021 Submission of service specifications funded at each facility (new YES list) by 30 November 2021 Submission of quarterly reports in the approved expenditure areas in the prescribed format Provide patient utilisation data (inpatient separations, inpatient days, day case separations, outpatient first visits, outpatient follow up visits and patient-day equivalents) average length of stay (tertiary) and bed utilisation rates (all levels of care) as per the prescribed format Provide the number of inpatient separations for intensive care units (ICU) and neonatal ICU quarterly Provide the number of inpatient days for ICU and neonatal ICU quarterly Provinces intending to develop a new service area need to submit a separate business plan outlining the investment case to the national DoH for approval Provinces may request, in writing to the transferring officer, approval to amend their approved business plan. Requests must be submitted no later than 15 October 2021. This will be the only time that provinces can request amendments to their approved business plan. Revised plans will be approved by 29 October 2021
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Submission of draft business plans (provincial and facility) by 29 October 2021 Completion of a business plan, in the prescribed format, signed by each receiving officer by 28 January 2022 and by the transferring officer by 31 March 2022

HUMAN SETTLEMENTS GRANTS

Human Settlements Development Grant	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> The creation of sustainable and integrated human settlements that enable improved quality of household life
Grant purpose	<ul style="list-style-type: none"> To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements
Outcome statements	<ul style="list-style-type: none"> The facilitation and provision of adequate housing opportunities and improved quality living environments A functionally equitable and integrated residential property market Enhanced institutional capabilities for effective coordination of spatial investment decisions Tenure security for all recipients of government- subsidised houses Improved quality of life
Outputs	<ul style="list-style-type: none"> Number of residential units delivered in relevant housing programmes Number of serviced sites delivered in relevant housing programmes Number of informal settlements upgraded in situ and/or relocated Number of title deeds registered to beneficiaries Hectares of well-located land acquired for development of housing opportunities Hectares of well-located land acquired (and zoned) Number of socio-economic amenities delivered in human settlements Number of integrated residential development projects planned, approved, funded and implemented Number of township registers opened in respect of pre and post 1994 Title Deeds Backlog beneficiaries confirmed as legitimate in registered townships in respect of pre and post 1994 Title Deeds Backlog Number of ownership disputes resolved in respect of pre and post 1994 Title Deeds Backlog Number of Priority Housing Development Areas (PHDAs) planned for
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Medium-term strategic framework targets, outputs and outcomes Project planning and facilitation Cash flow projections (payment schedule) Project information Project readiness matrix Title deeds project addendum in accordance with the compliance and reporting framework Planned projects and spending per priority mining town Infrastructure reporting model Professional fees and pre-planning Number of job opportunities to be created Implementation agreement between national, provincial and local government Annual and quarterly budgets and targets Procurement plan confirming appointment of requisite service providers in accordance with Government Procurement Preferential Plan and Policies Projects, targets and budgets in Priority Housing Development Areas (PHDA's)
Conditions	<ul style="list-style-type: none"> Funds for this grant should be utilised for the priorities set out in the 2019-2024 Medium Term Strategic Framework for human settlements The transfer of the first tranche of funds is conditional upon the national Department of Human Settlements (DHS) approving provincial business plans consistent with the provisions of the Housing Act and in compliance with the National Housing Code The transfer of subsequent tranches is conditional on provinces capturing the targets and budget, delivery statistics, and expenditure monthly on the Housing Subsidy System (HSS) and the Basic Accounting System (BAS) at a sub-programme level and project level, and submitting monthly reconciliations within the required time frames Provinces must ensure reconciliation and alignment of financial and non-financial outputs between the HSS and BAS on a monthly basis All projects in the approved business plan must be aligned with the Integrated Development Plan (IDP) and the Spatial Development Framework of municipalities. In pilot areas for the District Development Model, business plans must be aligned to the One Plan Draft and final business plans must be aligned to provincial annual performance plans When Business Plan is adjusted it must still align to approved provincial annual performance plans Provincial Heads of Departments (HoDs) must sign-off and confirm that the procurement processes is concluded of the projects captured in their business plans prior to the start of the new financial year

Human Settlements Development Grant	
	<p>and that projects captured in their business plans are assessed and approved for implementation in the 2021/22 financial year</p> <ul style="list-style-type: none"> • Provinces may utilise up to a maximum of 5 per cent of the provincial allocation for the operational capital budget programme to support the implementation of the projects contained in the business plan • Provinces must indicate budget allocations consistent with provincial and related municipal backlogs for adequate housing • Where municipalities have been accredited for the housing function, the provincial business plans must reflect relevant allocations, targets and outputs as agreed and approved with the respective municipalities • Provinces must gazette planned allocation for three years for the accredited municipalities in terms of the 2021 DoRA by no later than 28 May 2021. This should also specify the amount of operational funding to be transferred to accredited municipalities. The purpose of the accreditation funding must be clear and aligned with the delegated function • Provinces may utilise a maximum of 2 per cent of the Human Settlements Development Grant (HSDG) for the provision of bulk infrastructure projects for basic services in non-metropolitan municipalities to unlock human settlement projects on condition that the funding is complementary with commitments by municipalities in their IDP and municipal budget for provision of such bulk and other infrastructure with Municipal Infrastructure Grant funding. Prior approval of the transferring officer is required for this spending • Provinces may request, in writing to the transferring officer, approval to amend their approved business plan. Requests must be submitted between 13 August and 15 October 2021. This will be the only time that provinces can request an amendment to the approved business plan • The payment schedules should be derived and be aligned to the cash flows contained in the approved business plan • Provinces must include the nationally approved human settlements catalytic projects in their business plans as per the catalytic programme requirements. In addition, provinces must allocate a reasonable percentage of their grant allocation to the approved national priority catalytic projects in line with their project readiness status • At least 2 per cent of the HSDG grant may be allocated to programmes and projects for the implementation of innovative building technologies approved by SABS with a detailed cost analysis for the housing sector (subject to the consultation of local authorities and beneficiaries) • Provinces should ensure that the allocation for land acquisition and related purposes is included in the business plans • Provinces must agree with municipalities on a plan for the provision of basic services to all households served in new housing developments • Any malicious use of, or non-compliance to the HSS will result in funds being withheld or stopped in terms of the 2021 DoRA including Provinces not performing according to the approved business plan • Provinces are to set aside funds that should be fund title deeds for housing projects completed before 31 March 2014 for funds used to fund Title Deeds for housing projects completed before 31 March 2014, the provinces are to submit a detail report on the delivery and expenditure of the previous transfer and should include: <ul style="list-style-type: none"> ○ agreed deliverables supported by evidence ○ actual expenditure against the planned cash flows or the same period ○ compliance with the housing subsidy ○ cash flows for the remainder of the financial year • Provinces must indicate which projects are in the Priority Human Settlements and Housing Development Areas (PHSHDAs) • Provinces must ensure that a minimum prescribed threshold of budget is allocated to companies that are owned by vulnerable groups • Provinces must prepare and submit a separate land assembly programme with clear details of budget allocation for land acquisition, location of land and other related activities by not later than 30 April 2021 <p>Distressed mining towns component</p> <ul style="list-style-type: none"> • The following ring-fenced funds are earmarked to support the development of integrated human settlements in municipalities with distressed mining communities as approved in the provincial business plans. The following funds are ring-fenced within provincial allocations and are earmarked to support the development of integrated human settlements (prioritising bulk infrastructure provision in terms of the Housing Code) in identified municipalities with distressed mining communities: <ul style="list-style-type: none"> ○ Free State: R31 million ○ Gauteng: R88 million ○ Limpopo: R80 million ○ Mpumalanga: R141 million ○ Northern Cape: R50 million ○ North West: R153 million

Human Settlements Development Grant	
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated through the HSDG allocation formula approved by the Human Settlements MINMEC and Budget Council. The formula is based primarily on the share of inadequate housing in each province but also accounts for population size and the extent of poverty in each province. Further details of the formula are set out in Annexure W1 to the Division of Revenue Bill
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> Of the R18.9 billion made available, R18.8 billion (100 per cent) was transferred, of which R18.4 billion was spent by the end of the financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 66 148 housing units completed 50 144 serviced sites completed
Projected life	<ul style="list-style-type: none"> This is a long term grant as government must assist the poor with the provision of human settlements in terms of the Constitution
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R13.4 billion; 2022/23: R13.9 billion and 2023/24: R14.5 billion
Payment schedule	<ul style="list-style-type: none"> Monthly instalments as per the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Finalise and ensure the approval of the applicable subsidy quantum per programme and the allocation formula for the delivery of sustainable and integrated human settlements Approve the final national and provincial business plans and issue national compliance certificates Assess and make recommendations on the credibility of provincial business plans and the readiness of projects captured therein Ensure that provinces align financial and non-financial information in terms of reporting in BAS, HSS, provincial business plans and provincial quarterly reports Monitor provincial financial and non-financial grant performance and control systems related to the HSDG Ensure provinces comply with the reporting requirements for the HSS in terms of frequency and quality of the input Provide support to provinces and accredited municipalities with regard to human settlements delivery as may be required Undertake structured and other visits to provinces and metropolitan municipalities as necessary Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities Submit an annual evaluation report for 2020/21 on the financial and non-financial performance of the grant to National Treasury by 27 July 2021 Evaluate the audited provincial annual reports for submission to National Treasury by 14 December 2021 Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter Provide systems including HSS that support the administration of the human settlements delivery process Comply with the responsibilities of the transferring officer outlined in the 2021 DoRA Ensure provinces only implement programmes that are contained in the approved business plans <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Provinces must conclude implementation protocols with the Housing Development Agency (HDA) for the preparation and programme management of catalytic projects Submit 2020/21 annual evaluation reports to DHS by 28 May 2021 Submit 2020/21 audited annual reports to the DHS by 28 September 2021 Prioritise funds in order to build houses to meet the quota set for military veterans Support accredited municipalities in carrying out delegated functions as per the accreditation framework Provinces must utilise the HSS for the administration and related performance reporting of all the human settlement delivery programmes and processes Projects to be funded and included in the business plan must be registered on the HSS and the HSS project number and GIS Coordinates must be included in the business plan Provinces must ensure alignment of financial and non-financial reporting in terms of reporting in BAS, HSS, approved provincial business plans and provincial quarterly reports Ensure effective and efficient utilisation of and access to the HSS by municipalities Comply with the Housing Act, 2021 DoRA, Housing Code and the national delivery agreements that have been concluded The monthly expenditure report, as contemplated in section 12(3) of the 2021 DoRA and section 40(4)(c) of the Public Finance Management Act, must be submitted by the 15th of every month for the preceding month with work in progress inclusive of expenditure, monthly BAS and HSS reconciliation as stipulated on the Practice Note dated 24 April 2015 Monthly expenditure and quarterly reports must be signed by both the human settlements HoD and the relevant provincial treasury HoD

Human Settlements Development Grant	
	<ul style="list-style-type: none"> • Submit the reports on the outputs as mentioned above by the 15th of every month for the preceding month • There should be an alignment of the business plan with the gazetted allocations to accredited municipalities • Provinces should ensure that they only implement the programmes in the approved business plans • Provinces are allowed to implement the Finance Linked Individual Subsidy Programme within the Integrated Residential Reporting Programme • Provinces should prioritise revitalisation of the distressed mining towns programme within their funding • Consult with municipalities on the programme and projects submitted for approval in terms of the HSDG business plan • Ensure all projects to be implemented are contained in the municipal IDP and Spatial Development Frameworks of municipalities • Ensure that the relevant amounts to be applied and transferred to municipalities are gazetted by no later than 28 May 2021 • Provinces to align their business plan with provincial annual performance plans • On completion of units for military veterans, provincial departments should forward the claims to Department of Military Veterans for the top-up, as agreed in terms of the memorandum of understanding between national Department of Military Veterans and DHS • Provinces must report on the percentage of their allocations spent on service provided by companies owned by vulnerable groups on quarterly basis • The Provinces are to adhere to section 16 of the Division of Revenue Act for planned transfers to National and or Provincial entities • Provinces must ensure that there is appropriate screening of beneficiaries that will be prioritized for the Voucher Scheme by not later than 30 April 2021 • Provinces must advertise the call for suitable service providers to be screened and serve as material suppliers by not later than 30 April 2021 • Provinces should prepare a separate five year plan for socio economic amenities that will be rolled out from 2021/22
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Draft Consolidated provincial business plans for 2022/23 financial year, project readiness matrix and multi-year housing development plan (aligned with the business plan and project readiness matrix) to be submitted to the national department by 31 August 2021 • Submit final consolidated provincial business plans, project readiness matrix, multi-year housing development plan (including cash flow projections and compliance certificates for 2022/23 financial year) to the DHS by 8 February 2022 • Specific approval from the transferring officer should be sought for rectification (pre- and post-1994), IDP chapters, blocked projects, community residential units (upgraded), project linked, consolidation subsidies (blocked projects) and allocations for these must appear in the draft and final business plans • Programmes that require ministerial approval (in terms of ministerial directives) must be submitted in the first draft of the business plan

Informal Settlements Upgrading Partnership Grant: Provinces	
Transferring department	<ul style="list-style-type: none"> • Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • The creation of sustainable and integrated human settlements that enable improved quality of household life
Grant purpose	<ul style="list-style-type: none"> • To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements
Outcome statements	<ul style="list-style-type: none"> • Promotes integrated sustainable urban settlements and improved quality living environment as per the National Housing Code 2009 which includes tenure security, health and security as well as empowerment
Outputs	<ul style="list-style-type: none"> • Programmatic province-wide informal settlements upgrading strategy • Number of approved individual informal settlements upgrading plans prepared in terms of the National Upgrading Support Programme (NUSP) • Number of social compacts or agreements concluded with communities and/or community resource organisations outlining their role in the upgrading process • Number of informal settlements designated for upgrading in terms of the municipal Spatial Development Framework (SDF) and Spatial Planning and Land Use Management Act (SPLUMA) and municipal by-laws enacted in this regard • Number of households provided with secure tenure • Number of households provided with individual municipal engineering services (water services, sanitation solutions and electricity – grid and non-grid) • Number of informal settlements provided with interim and permanent municipal engineering services (public lighting, roads, stormwater, refuse removal and bulk connections for water, sanitation and electricity) • Number of households benefited from interim services • Hectares of land acquired for relocation of category B2 and category C settlements (categories in terms of NUSP methodology) • Hectares of land acquired for in situ upgrading for category B1 settlements • Number of in situ individually serviced sites developed • Value of funds leveraged
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant requires that provinces prioritise informal settlements for upgrading in 2021/22 using the human settlements chapters of the Integrated Development Plans of the relevant municipalities • Provinces must submit an Informal Settlement Upgrading Plan for each settlement to be upgraded, prepared in terms of NUSP, which includes: <ul style="list-style-type: none"> ○ project description ○ settlement name and GIS coordinates ○ project institutional arrangements ○ sustainable livelihood implementation plan ○ outputs and targets for services to be delivered ○ cash flow projections (payment schedule) ○ details of the support plan ○ risk management plan ○ prioritisation certificate issued by the MEC in consultation with relevant mayors • For those settlements where upgrading plans have not yet been completed, an interim plan with clear deliverables in terms of the UISP phases contained in the Housing Code must be submitted
Conditions	<ul style="list-style-type: none"> • Funds for this grant should be utilised for the priorities as set out in the 2019-2023 Medium Term Strategic Framework for human settlements • The transfer of the first tranche of funds is conditional upon national Department of Human Settlements (DHS) approving informal settlements upgrading plans consistent with the provisions of the Housing Act, and in compliance with the National Housing Code • The transfer of subsequent tranches is conditional on provinces capturing the targets and budget, delivery statistics, and expenditure monthly on the Housing Subsidy System (HSS) and the Basic Accounting System (BAS) at a sub-sub-programme level and project level, and submitting monthly reconciliations within the required time frames • Provinces must ensure reconciliation and alignment of financial and non-financial outputs between the HSS and BAS on a monthly basis • All projects in the approved informal settlements upgrading plans must be aligned with the Integrated Development Plan (IDP) and the Spatial Development Framework of municipalities • Provinces should implement projects in the approved upgrading plans and any deviation from the approved upgrading plans should be sought from the DHS • Where there are no upgrading plans and spending is approved in terms of an interim plan, funding will only be transferred to a province provided that confirmation is provided to the national department that individual upgrading plans are being developed for these projects and will be completed by the end of 2021/22

Informal Settlements Upgrading Partnership Grant: Provinces	
	<ul style="list-style-type: none"> The payment schedule submitted by provinces should be derived from the cash flows contained in the approved upgrading plans A social compact or any other community participation agreement must be concluded as part of each individual informal settlement upgrade plan. A maximum of 3 per cent of the project cost may be used for community/social facilitation Draft and final informal settlements upgrading plans must be aligned to provincial annual performance plans Provincial Heads of Departments (HoDs) must sign-off and confirm that projects captured in their informal settlements upgrading plans are assessed and approved for implementation in the 2021/22 financial year Quarterly and monthly performance reports must be submitted to the national Department of Human Settlements in line with DoRA prescripts Provinces must report monthly and quarterly on projects funded through this grant using the template prescribed by DHS. Reporting must include financial and non-financial performance on progress against ISUP plans
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated to all provinces. These funds are also allocated in line with the HSDG allocation formula approved by Human Settlements MINMEC and National Treasury
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> New Grant <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> New Grant
Projected life	<ul style="list-style-type: none"> This is a long term grant as government must assist the poor with the provision of human settlements in terms of the Constitution
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R3.9 billion; 2022/23: R4.1 billion and 2023/24: R4.3 billion
Payment schedule	<ul style="list-style-type: none"> Monthly instalments as per the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Receive, assess and approve the informal settlements upgrading plans of provinces Assess and make recommendations on the credibility of provincial informal settlements upgrading plans and the readiness of projects captured therein Maintain the policy and programme, and assist with interpretation Develop a reporting template for provinces on ISUP outputs and publish it 30 March 2021 Monitor and evaluate provincial financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the ISUPG Provide implementation assistance support to provinces as may be required Undertake structured and other visits to projects as is necessary Facilitate regular interaction between DHS and provinces Submit a report on the status of informal settlements and their categorisation (in terms of the National Upgrading Support Programme's methodology) to National Treasury by 30 July 2021 Use the grant to leverage other forms of funding ISUP
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Initiate, plan and formulate applications for projects relating to the upgrading of informal settlements, which in the case of municipalities that are not accredited, must be in collaboration with the relevant provincial department Request assistance from the relevant national department on any of the matters concerned if the province lacks the capacity, resources or expertise Submit informal settlements upgrading plans by 8 February 2021 Implement approved projects in accordance with ISUP methodology approved by the national department Work with municipalities to fast track the planning approval processes for informal settlements upgrading projects Agree with municipalities on how settlement areas developed under this programme will be managed, operated and maintained Coordinate with municipalities and facilitate the provision of bulk and connector engineering services Submit a report on the status of informal settlements in their provincial area and their categorisation (in terms of the National Upgrading Support Programme's methodology) to the national Department of Human Settlements by 28 May 2021 Provincial Heads of Departments (HoDs) must sign-off and confirm that projects captured in their informal settlements upgrading plans are assessed and approved for implementation in the 2021/22 financial year

Informal Settlements Upgrading Partnership Grant: Provinces	
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Provinces must prepare a Provincial Informal Settlement Upgrading Strategy that is aligned to municipal SDFs and sets out the province's approach to informal settlement upgrading and how settlements are categorised and will be prioritised for upgrading. A draft of Strategy must be submitted to DHS by 29 October 2021. DHS will provide comments by 30 November 2021. A final plan must be submitted by 28 January 2022 • First draft ISUPG plan and draft Informal Settlements Upgrading Plans for each settlement to be upgraded in 2022/23 must be submitted to the National Department by 31 August 2021. The DHS will provide comments by 30 September 2021 • Final business plans must be submitted by not later than 8 February 2022

Provincial Emergency Housing Grant	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> Schedule 7, Part A
Strategic goal	<ul style="list-style-type: none"> To ensure improved quality of household life following a disaster (as defined in the Disaster Management Act, 2002)
Grant purpose	<ul style="list-style-type: none"> To provide funding to provinces for provision of temporary shelter assistance to households affected by disasters or a housing emergency To provide funding to provinces to repair the damage to housing for low-income households following a disaster or housing emergency if the costs of repairs are less than the cost of relocation and provision of temporary shelter
Outcome statements	<ul style="list-style-type: none"> Households accommodated in adequate temporary shelter following a disaster Repair damaged houses following a disaster for low income households
Outputs	<ul style="list-style-type: none"> Emergency and short term assistance to households affected and/or impacted by disasters, through: <ul style="list-style-type: none"> provision of temporary shelter temporary relocation of households to safer accommodation and/or shelter repairs to damaged houses following a disaster
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Applications for funding from this grant use the Emergency Housing Grant application form which includes the following: <ul style="list-style-type: none"> details of the disaster, municipal ward, the impact thereof and number of temporary shelters required as well as the number of households affected total funds required for disaster response implementation plan summary of the projects register of beneficiaries consolidated project cash flow for three months, as an annexure to the implementation plan a copy of the province's emergency procurement policy
Conditions	<ul style="list-style-type: none"> Provinces must submit an application to the national Department of Human Settlements (DHS) within 14 days of the agreement by the Member of the Executive Council responsible for Human Settlements that a housing emergency exists in terms of section 2.3.1(a), (b) of the Emergency Housing Programme as per the Housing Code The relevant provincial disaster management centre must be informed of the application in writing by the provincial department for human settlements Provincial heads of departments (HoDs) must sign-off and confirm information in the application Shelter solutions funded from the grant must comply with the National Housing Code and subsidy quantum The approval of funding to repair damages caused by disasters must be subject to the assessment The flow of the first instalment of funds is conditional on approval by the national DHS The flow of the second instalment is subject to the province spending at least 80 per cent of the first instalment and submitting detailed non-financial and financial reports indicating progress to date, signed-off by the accounting officer Funds must only be spent on items and activities included in the application approved by the transferring officer of the national DHS Provincial officers must submit a report within 30 days after the end of the quarter in which the funds are spent, outlining expenditure of the funds and documentary proof of services rendered. Thereafter monthly reports shall be submitted to the national DHS until the funds are fully utilised The emergency procurement system as guided by the Public Finance Management Act (PFMA) and Treasury Regulations must be invoked to ensure immediate assistance to the affected communities The project should/must be completed within three months from the date of transfer of funds
Allocation criteria	<ul style="list-style-type: none"> This grant funding is intended to address the housing needs of households who, for reasons beyond their control, find themselves in an emergency housing need such as: <ul style="list-style-type: none"> existing shelter destroyed or damaged by a disaster displaced following a disaster relocation due to prevailing material (i.e. physical) conditions posing an immediate threat to the adequacy and safety of their existing housing as a result of a disaster The grant is allocated to provinces on application and approval thereof by the transferring officer
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> A conditional grant enables the national department to respond to disasters as they arise
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> The grant was allocated R277 million and R245 million was transferred to provinces, of which R206 million of transferred funds and rollover funds was spent by provinces. Western Cape received a rollover of R87 million and Mpumalanga Province a rollover of R53 million <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> The KwaZulu-Natal Province received R151 million: 441 units delivered; Eastern Cape R90 million: 45 units delivered and Western Cape R3 million: 53 units delivered. Western Cape

Provincial Emergency Housing Grant	
	received a rollover of R87 million: nil units delivered and Mpumalanga Province a rollover of R53 million: 1 877 houses repaired
Projected life	<ul style="list-style-type: none"> This grant is expected to continue over the medium term, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R311 million; 2022/23: R326 million and 2023/24: R340 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Advise and guide provinces about the existence of the Provincial Emergency Housing Grant and how it can be accessed Develop and publish the Provincial Emergency Housing Grant application form template, in consultation with National Treasury and the National Disaster Management Centre (NDMC) Monitor programme implementation including establishing and maintaining a register or database of housing emergencies and human settlements-related disasters Support provinces to plan for potential disasters and housing emergencies. This includes identifying communities/households that reside in unsafe conditions posing a threat to health and safety as well as households who live in areas prone to flooding and/or other disasters Monitor the planning and priority development for communities/households residing in unhealthy and life threatening circumstances and provide implementation assistance where required Facilitate a coordinated housing assistance intervention response in circumstances where disasters affect more than one province Coordinate assistance with the NDMC to ensure there is no duplication of funding with the provincial and municipal disaster relief grants Request National Treasury's approval for the disbursement of funds to provinces within 10 days of receipt of an application for funding from this grant Notify the relevant provinces and provincial treasury of a transfer at least two days before the transfer of funds. Funds must be transferred no later than five days after notification Transfer funds to the provincial administration with a clear stipulation of the purpose of the funds Provide National Treasury with written notification of the transfer within 10 days of a transfer Undertake oversight visits together with the province for verifications of reported performance Submit financial and non-financial reports to National Treasury 20 days after the end of each month Provide a performance report, within 45 days after the end of the quarter in which the funds were spent, to National Treasury using the disaster allocation monitoring template agreed to with the National Treasury Together with the provinces, monitor the implementation of funded projects
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Provinces are responsible for providing the first response in the immediate aftermath of a housing emergency Together with the national DHS, conduct initial assessments of disaster impacts to verify the applications for funding within five days following the occurrence of a reported incident that meets the conditions Upon approval of the application by national DHS and receipt of funding, implement the intended relief measure (emergency housing solutions) in respect of the affected households and communities Manage implementation of emergency interventions including establishing and maintaining a register or database of human settlements disasters and emergencies in the province Plan disaster mitigation measures in collaboration with the relevant PDMC, these include public awareness and community outreach initiatives in respect of disaster mitigation Plan for potential disaster incidents, this work includes identifying communities/households that reside on land posing a threat to health and safety as well as households who live in areas prone to flooding and/or other disasters Facilitate identified and prioritised communities and/or households that are relocated and properly housed in formalised townships that comply with human settlement development norms and standards Ensure that shelter solutions comply with the Housing Code Monitor the planning and priority development for communities/households residing in unhealthy and life-threatening circumstances and provide implementation assistance where required Provide financial and non-financial reports to national DHS within 15 days after the end of each month (include evidence (invoices and pictures of the projects) as annexures) on a reporting template signed by a Head of Department or delegated official in the Province Ensure contingency plans are in place to facilitate the provision of emergency shelter in the immediate aftermath of a housing emergency. These plans should include having standby contracts in place that allow for the rapid deployment of emergency shelter and/or identifying safe sites for temporary shelter Ensure that emergency procurement policies in line with the PFMA and Treasury Regulations are in place Conduct assessments of disaster impacts together with the affected municipalities, to verify applications for funding, within 35 days of the incident while adhering to the requirements of the emergency housing programme

Provincial Emergency Housing Grant	
	<ul style="list-style-type: none"> • Provide a performance report which includes evidence on progress with implementation of the projects to the national DHS within 30 days after the end of the quarter in which funds are spent • Identify communities and/or households for temporary relocation due to an imminent disaster event • Monitor the implementation of funded disaster projects by sectors • Maintain a register of the beneficiaries
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Not applicable

Expanded Public Works Programme Integrated Grant for Provinces	
Transferring department	<ul style="list-style-type: none"> Public Works and Infrastructure (Vote 13)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> To provide funding for job creation efforts in specific focus areas, where labour intensive delivery methods can be optimised
Grant purpose	<ul style="list-style-type: none"> To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme (EPWP) guidelines: <ul style="list-style-type: none"> road maintenance and the maintenance of buildings low traffic volume roads and rural roads other economic and social infrastructure tourism and cultural industries sustainable land based livelihoods waste management
Outcome statements	<ul style="list-style-type: none"> Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities Reduced level of poverty Contribute towards increased levels of employment Improved opportunities for sustainable work through experience and learning gained
Outputs	<ul style="list-style-type: none"> Number of people employed and receiving income through the EPWP Increased average duration of the work opportunities created Number of full-time equivalents (FTEs) to be created through the grant
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> The programme is implemented through provinces using grant agreements that contain project lists and targets for eligible provincial departments on the creation of full-time equivalents (FTEs) and work opportunities
Conditions	<ul style="list-style-type: none"> EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by Department of Public Works and Infrastructure (DPWI), the Ministerial Determination for EPWP workers, the EPWP Recruitment Guidelines and the National Minimum Wage Act 9 of 2018 including applicable gazettes Provincial departments must report on all projects via DPWI's EPWP reporting system Reports must be loaded on the EPWP reporting system every month. The system closes 15 days after the end of every quarter in order for progress to be assessed The grant cannot be used for departmental personnel costs, however a maximum of five per cent of the grant can be used to fund contract-based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods The grant can only be utilised for EPWP purposes and for the projects approved in each eligible provincial department's EPWP project list To respond to COVID-19 pandemic, provincial department may use 10 per cent of their allocations for the provision of personal protective equipment (e.g. temperature scanners, hand washing facilities, hand sanitizers as per the standard determined by the Department of Health), and provisions for physical distancing To receive the first tranche disbursement, eligible provincial departments must: <ul style="list-style-type: none"> submit a signed-off EPWP project list by 23 April 2021 sign a grant agreement with DPWI Subsequent grant disbursements are conditional upon eligible provincial departments: <ul style="list-style-type: none"> reporting on EPWP performance within the required time frames compliant reporting on EPWP Integrated Grant funded projects implementing their approved EPWP projects on the project list, as planned towards the agreed job creation targets submitting, on a quarterly basis, non-financial reports by the timelines stipulated in the clauses of the 2021 Division of Revenue Act reporting on EPWP Integrated Grant expenditure monthly, within the required time frames EPWP branding must be included as part of the project cost in line with the corporate identity manual Provincial departments must maintain participant payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPWI for data quality assessment tests
Allocation criteria	<ul style="list-style-type: none"> To be eligible for an EPWP grant allocation in 2021/22, a provincial department must have reported at least 26 FTEs in either the infrastructure or environment and culture sector in the 2019/20 financial year Newly reporting provincial departments must have reported at least 13 FTEs in either the infrastructure or environment and culture sector in the 2020/21 financial year by 15 October 2020 The EPWP grant allocations are based on EPWP performance in the past 18 months, number of FTEs created per million rand, and the duration of the work opportunities created

Expanded Public Works Programme Integrated Grant for Provinces	
	<ul style="list-style-type: none"> Penalties are applied to provincial departments with negative audit findings and non-compliance in terms of submission of the quarterly non-financial reports
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas
Past performance	2019/20 audited financial outcomes <ul style="list-style-type: none"> Of the total grant allocation of R437 million, 100 per cent was transferred to provinces. R429 million (98 per cent) of the transferred funds was spent by the end of the financial year
	2019/20 service delivery performance <ul style="list-style-type: none"> 207 562 work opportunities reported and 82 114 FTEs created Average duration of the work opportunities created has increased to 92 days
Projected life	<ul style="list-style-type: none"> Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R422 million; 2022/23: R433 million and 2023/24: R435 million
Payment schedule	<ul style="list-style-type: none"> Three instalments per annum: 25 per cent, 14 May 2021; 45 per cent, 13 August 2021 and 30 per cent, 12 November 2021
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> Determine eligibility and set grant allocations and FTE targets for eligible provincial departments Publish on the EPWP website all documents relevant for provincial departments to understand and implement the grant, such as a grant manual, EPWP Recruitment Guidelines, the EPWP Ministerial Determination for EPWP workers, the EPWP Infrastructure guidelines and the National Minimum Wage Act 9 of 2018 including applicable gazettes Support provincial departments, in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> identify suitable EPWP projects, develop EPWP project lists in accordance with the EPWP project selection criteria, apply the EPWP project selection criteria and EPWP guidelines to project design, report using the EPWP reporting system Monitor the performance and spending of provincial departments and assess progress towards their implementation of EPWP project lists Disburse the grant to eligible provincial departments that comply with the DoRA requirements Report to National Treasury progress against FTE targets and spending against the grant allocation on a quarterly basis Conduct data quality assessments on a continuous basis to support good governance and identify areas for administrative improvement Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system Conduct site visits to verify existence of the projects and identify where support is needed
	Responsibilities of provincial departments <ul style="list-style-type: none"> Develop and submit an EPWP project list to DPWI by 23 April 2021 Sign the standard grant agreement with DPWI by 23 April 2021, agreeing to comply with the conditions of the grant before receiving any grant disbursement Agree on the areas requiring technical support from DPWI upon signing the grant agreement Register and report all EPWP projects on the EPWP reporting system and update progress monthly in accordance with the reporting requirements and timelines stipulated in the grant agreement
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Provincial departments must report on performance of EPWP projects for the 2020/21 financial year by 28 April 2021 or report on 2021/22 performance by 29 October 2021 to be eligible for a grant allocation Provincial departments must submit draft 2022/23 EPWP project lists to DPWI by 28 April 2022 Eligible provincial departments must sign the standard funding agreement with an approved 2022/23 EPWP project list by 28 April 2022

Social Sector Expanded Public Works Programme Incentive Grant for Provinces	
Transferring department	<ul style="list-style-type: none"> Public Works and Infrastructure (Vote 13)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> To increase job creation through the expansion of the social sector Expanded Public Works Programme (EPWP)
Grant purpose	<ul style="list-style-type: none"> To incentivise provincial social sector departments, identified in the social sector EPWP log-frame, to increase job creation by focusing on the strengthening and expansion of social sector programmes that have employment potential
Outcome statements	<ul style="list-style-type: none"> Improved service delivery to communities by expanding the reach and quality of social services Contribute towards increased levels of employment Strengthened capacity of non-government delivery partners through increased access to funds for wages and administration
Outputs	<ul style="list-style-type: none"> 9 610 Full-Time Equivalents (FTEs) funded through the grant A minimum of 11 051 people employed and receiving income through the EPWP grant A minimum average duration of 200 person days for work opportunities created A minimum of 150 000 beneficiaries provided with social services
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Provincial departments must report EPWP expenditure on the monthly in-year management, monitoring and reporting tool in accordance with section 32 of the Public Finance Management Act Financial and non-financial performance must be reported onto the EPWP reporting system Provincial departments must adhere to the audit requirements stipulated in the social sector EPWP incentive grant manual The incentive grant allocation must be used to expand job creation programmes in the social sector The incentive grant allocation must be used to fund the following priority areas: <ul style="list-style-type: none"> to provide wages to unpaid volunteers at a wage rate considering the EPWP minimum wage rate as per the Ministerial Determination for EPWP Workers or the EPWP wage rate prescribed by the National Minimum Wage Act 9 of 2018 including applicable gazettes depending on which is more favourable according to the prescripts of the Department of Employment and Labour to expand social sector EPWP programmes as identified in the EPWP social sector log-frame for creation of additional work opportunities A minimum of 80 per cent of the total incentive allocation must be used to pay wages The balance of the overall incentive allocation must be used for administration, capacity-building at the implementation level and procurement of protective clothing and personal protective equipment (PPEs) for COVID-19 To receive the first grant disbursement, eligible provincial departments must: <ul style="list-style-type: none"> submit a signed business plan by 31 March 2021 submit a compliant signed project list by 31 March 2021 sign a grant agreement with the Department of Public Works and Infrastructure (DPWI) by 31 March 2021 Subsequent grant disbursements are conditional upon eligible provincial departments: <ul style="list-style-type: none"> reporting grant funded projects inclusive of up-loading relevant documents in accordance with the Ministerial Determination for EPWP in the EPWP reporting system reporting expenditure of at least 25 per cent and 50 per cent (of the transferred amount) for the second and third tranches, respectively Provincial departments must submit quarterly non-financial reports in the prescribed template as per the timelines stipulated in the clauses of the 2021 Division of Revenue Act EPWP branding must be included as part of the project cost as per the corporate identity manual
Allocation criteria	<ul style="list-style-type: none"> To receive an incentive allocation in 2021/22, a provincial department must have reported performance in 2019/20 and the first two quarters of 2020/21 into the EPWP reporting system by 15 October 2020 To be eligible for an incentive allocation in 2021/22, a provincial department must have: <ul style="list-style-type: none"> reported performance of at least 40 per cent against their sector plan FTE target for 2019/20 used its own funding in addition to the Social Sector Incentive Grant. Provincial departments that are not utilising their own funding will not be considered for eligibility Allocations are divided into two parts calculated based on: <ul style="list-style-type: none"> provincial department's contribution towards the total FTEs reported over 18 months compliance to sector standards (for persons with disability, women, youth, training days, duration and wages) The following penalties are applied where there was non-compliance to conditions of the grant in 2019/20:

Social Sector Expanded Public Works Programme Incentive Grant for Provinces	
	<ul style="list-style-type: none"> ○ one per cent for non-compliance in submission of planning documents ○ 0.5 per cent for late submission for each quarterly non-financial report ○ 0.5 per cent for each tranche withheld ○ 1 per cent for less than 100 per cent expenditure reported in the assessment period ○ 1 per cent for non-achievement of FTE target in the assessment period
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● The incentive allocation is based on the performance of programmes in a prior financial year and use of the allocation is specifically earmarked for EPWP programme expansion
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> ● Of the total grant allocation of R430 million, 100 per cent was transferred to provincial departments of which R419 million (97 per cent) of was reported spent by provinces <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> ● 12 741 FTEs were created ● 15 831 work opportunities created ● Average duration of 182 person days for work opportunities created ● 8 123 beneficiaries received social services ● 374 households received social services
Projected life	<ul style="list-style-type: none"> ● Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> ● 2021/22: R414 million; 2022/23: R425 million and 2023/24: R426 million
Payment schedule	<ul style="list-style-type: none"> ● Three instalments per annum: 25 per cent, 15 April 2021; 45 per cent, 30 July 2021 and 30 per cent, 29 October 2021
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> ● Determine the eligibility of provincial departments, set job creation targets, performance measures and calculate incentive allocations ● Revise the incentive manual that will provide provincial departments with standard information on the rules of the incentive programme, its application, monitoring and evaluation information and audit regulations ● Develop an incentive agreement outlining the requirements of the incentive grant and ensure that each provincial department signs the agreement by 31 March 2021 ● Reach agreements with national sector departments on their roles in ensuring effective implementation of the incentive grant by 31 March 2021 ● Support provincial departments to develop plans to meet job creation targets ● Support sector departments to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system ● Monitor the performance of provincial departments on the use of the incentive grant against the conditions in the framework and report to National Treasury on a monthly and quarterly basis ● Evaluate the final performance of provincial departments after the end of the financial year ● Issue guidelines to provincial departments on how to report expenditure, by 31 March 2021 ● Analyse reported data and provide feedback to sector stakeholders <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> ● Compile and sign business plans and project lists on how they will achieve the incentive grant targets by 31 March 2021 ● By 31 March 2021, sign the standard incentive agreement with national DPWI agreeing to comply with the conditions and obligations of the grant before receiving any incentive payment ● Report EPWP performance onto the EPWP reporting system and update progress monthly in accordance with the reporting requirements in the incentive agreement ● Submit financial and non-financial reports on the use of the incentive grant on a monthly and quarterly basis in the format and manner prescribed by National Treasury and DPWI ● Submit an annual evaluation report on the use of the incentive grant in the format and manner prescribed by National Treasury and DPWI
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> ● Provincial departments must have reported EPWP performance by 30 April 2021 to be eligible for an allocation ● Provincial departments participate in the planning exercise from December to January each year and submit their business plans, project lists and targets to DPW during this process, in the format prescribed ● DPWI to distribute the incentive agreements for endorsement by provincial Heads of Departments by the end of February every year ● Provincial Heads of Departments to sign the incentive agreement with DPWI by 30 March 2022 and agree to comply with the conditions and obligations of the incentive grant

SOCIAL DEVELOPMENT GRANTS

Early Childhood Development Grant	
Transferring department	<ul style="list-style-type: none"> • Social Development (Vote 19)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To increase access to quality early childhood development (ECD) services for poor children
Grant purpose	<ul style="list-style-type: none"> • To increase the number of poor children accessing subsidised ECD services through centre and non-centre based programmes • To support ECD providers delivering an ECD programme to meet basic health and safety requirements for registration • To pilot the construction of new low-cost ECD centres
Outcome statements	<ul style="list-style-type: none"> • The provision of ECD services to poor children contributing towards universal access • Improving health and safety conditions in which stimulation and early learning takes place
Outputs	<ul style="list-style-type: none"> • This grant has two components with detailed outputs, conditions and responsibilities for each component specified in separate frameworks. The two components are: <ul style="list-style-type: none"> ○ infrastructure component ○ subsidy component
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The provincial departments will use a single business plan issued by the national Department of Social Development (DSD) for the two grant components which contains the following: <ul style="list-style-type: none"> ○ project background ○ project objectives ○ scope of the work ○ deliverables and outputs to be achieved ○ risk assessment with mitigation plan
Conditions	<ul style="list-style-type: none"> • Conditional grant funding cannot be used to replace funding that provinces have previously allocated for ECD subsidies • Each province may use a maximum of R4.14 million of their total conditional grant allocation (subsidy plus infrastructure components) for administrative management of the grant which includes capacity to manage the grant and funding for assessments of ECDs. Provinces may choose to use this amount from the allocation for either one of the components or both
Allocation criteria	<ul style="list-style-type: none"> • As specified in the two grant component frameworks
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • To allow DSD to better ring-fence expansion of ECD in the country and to facilitate compliance to the National Integrated ECD Policy approved by Cabinet on 9 December 2015 by ensuring that the delivery and maintenance of any capital investment is coordinated in an efficient manner that is consistent with norms, standards and guidelines • ECD is a national priority and requires uniform implementation in order to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the total grant allocation of R518 million, 100 per cent was transferred to provinces R502 million (97 per cent) was spent by the end of the financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • As specified in the grant frameworks for the two components
Projected life	<ul style="list-style-type: none"> • Given the nature of the programme and the drive to expand provision of ECD services, the grant will be needed for the medium term expenditure framework (MTEF) period, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R1 billion; 2022/23: R1.2 billion and 2023/24: R1.2 billion allocated as follows: <ul style="list-style-type: none"> ○ ECD subsidies: 2021/22: R963 million; 2022/23: R1 billion and 2023/24: R1.1 billion ○ ECD maintenance improvements: 2021/22: R94 million; 2022/23: R98 million and 2023/24: R102 million
Payment schedule	<ul style="list-style-type: none"> • Quarterly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Review the standardised reporting framework and monitoring tool • Review the standardised format for the business plans • Assist the provincial DSDs with their planning • Assess and approve the business plans submitted by provinces • Monitor project progress and compliance to conditional grant framework • Provide continuous monitoring and support to provinces • Submit a monthly financial report to National Treasury 20 days after the end of the reporting month • Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Monitor the utilisation of the grant against the set outcomes and take appropriate action in cases of non-compliance with the framework

Early Childhood Development Grant	
	<ul style="list-style-type: none"> • Submit an annual evaluation report four months after the end of the 2021/22 financial year • Facilitate approval of the payment schedule and approval of in-year adjustments to the payment schedule • Review and update subsidy guidelines
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Submit approved business plans signed-off by the head of department (HoD) to the DSD by 2 March 2021 • Implement the business plan as approved by the DSD • Ensure that claims are submitted to national DSD to allow for the transfer of funds by national DSD in line with the payment schedule approved by the National Treasury • Submit monthly financial reports to national DSD 15 days after the end of the reporting month • Provinces must upload all ECD maintenance projects on the infrastructure reporting model and update it monthly • Submit quarterly performance reports to national DSD within 30 days after the end of each quarter • Submit an evaluation report two months after the end of the 2021/22 financial year
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Engagement with provincial departments on submission of business plans between September 2021 and February 2022 • Submit final provincial business plan, including cash flow projections and compliance certificates signed-off by HoDs for 2022/23 financial year to national DSD by 15 February 2022 • The transferring officer must approve provincial business plans by 1 April 2022

Early Childhood Development Grant: Infrastructure Component	
Transferring department	<ul style="list-style-type: none"> • Social Development (Vote 19)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To increase access to quality early childhood development (ECD) services for poor children
Grant purpose	<ul style="list-style-type: none"> • To support ECD providers delivering an ECD programme to meet basic health and safety requirements for registration • To pilot the construction of new low cost ECD centres
Outcome statements	<ul style="list-style-type: none"> • The provision of ECD services to poor children contributing towards universal access • Improving health and safety conditions in which stimulation and early learning takes place
Outputs	<ul style="list-style-type: none"> • Number of ECD centres assessed for infrastructure support and health and safety standards • Number of ECD centres whose registration status improved as a result of the infrastructure component within 24 months of receiving the grant • Number of low cost ECD centres constructed • Number of ECD facilities provided with a standard hygiene and sanitation support package
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The provincial departments will use a single business plan issued by the national Department of Social Development (DSD) for the two grant components (subsidy and infrastructure) which contains the following: <ul style="list-style-type: none"> ○ project background ○ project objectives ○ scope of the work ○ deliverables and outputs to be achieved ○ risk assessment with mitigation plan
Conditions	<p>Maintenance and upgrading</p> <ul style="list-style-type: none"> • This component may be used for ECD sites for facilitating the supply of essential goods necessary to support basic health and hygiene practices in ECD sites to prevent the spread of COVID-19, in line with the guidelines provided by the national Department of Social Development. This includes provision of one of a standard support package which includes basic health and hygiene products • This allocation may be used for: <ul style="list-style-type: none"> ○ unregistered ECD centres to do minor infrastructure maintenance works and upgrades to enable conditional registration ○ conditionally registered ECD centres to do minor infrastructure maintenance works and upgrades to enable them to improve their registration status • The following conditions apply in respect of the above: <ul style="list-style-type: none"> ○ all ECD sites whether conditionally registered or unregistered may only benefit from this fund if they are eligible as per the requirements in the guideline issued by the national Department of Social Development. ○ all projects must be selected, planned and implemented in a manner consistent with the guideline issued by the national DSD ○ provinces must conduct assessments of conditionally registered and eligible unregistered ECD sites and cost them in order to qualify for funding in 2022/23 and submit by 30 September 2021 ○ for unregistered centres, a maximum amount of R100 000 per ECD centre may be spent for maintenance improvements, inclusive of all costs (VAT, disbursements etc.) ○ for conditionally registered centres a maximum amount of R250 000 per ECD centre may be spent for maintenance improvement and upgrades, inclusive of all costs (VAT, disbursements, etc.) ○ prior approval for any amount exceeding R100 000 or R250 000 respectively should be obtained from the Head of Department (HoD) or the Chief Financial Officer with a detailed assessment and cost analysis to justify the additional amount ○ all projects must be recorded on the Infrastructure Reporting Model (IRM) before the start of the financial year ○ provinces must update the infrastructure project details for each funded project in the Infrastructure Reporting Model (IRM)). This must be approved and submitted to National Treasury and DSD within 22 days after the end of each quarter ○ provinces must report separately on COVID-19 progress and expenditure, in their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act <p>New centre construction</p> <ul style="list-style-type: none"> • New centre construction funding is for the construction of new low-cost ECD centres where existing structures have to be replaced or to address new demand in areas where the need is the greatest • A maximum of R2.5 million per province may be used for the construction of new ECD centres, inclusive of all costs • The construction of centres must be consistent with the guideline issued by the national DSD • Every province may construct at least one ECD centre in 2021/22 • Each province must include the number of ECD centres to be constructed and the costs for the construction in the business plan 2021/22

Early Childhood Development Grant: Infrastructure Component	
	<ul style="list-style-type: none"> All projects must be recorded on the Infrastructure Reporting Model (IRM) <p>General conditions</p> <ul style="list-style-type: none"> The national Department of Social Development will develop guidelines for each of the areas listed above that must be issued to the provinces by 31 March 2021
Allocation criteria	<ul style="list-style-type: none"> The provincial infrastructure allocations are determined based on: <ul style="list-style-type: none"> the number of ECD centres assessed in each province that meet the criteria for the maintenance and upgrading the amount for low-cost construction of ECD centres is a standard allocation for each province
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> To allow DSD to manage the expansion of ECD in the country and to facilitate compliance to the National Integrated ECD Policy approved by Cabinet on 9 December 2015 ensuring that the delivery and any capital investment is coordinated in an efficient manner that is consistent with norms, standards and guidelines ECD is a national priority and requires uniform implementation in order to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> Of the maintenance grant allocation of R61 million, 100 per cent was transferred to provinces. R56 million (91 per cent) was spent by the end of the financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 230 ECD centres benefited from the grant
Projected life	<ul style="list-style-type: none"> Given the nature of the programme and the drive to expand provision of ECD services, the grant will be needed for the medium term expenditure framework period, subject to review
MTEF allocations	2021/22: R94 million; 2022/23: R98 million and 2023/24: R102 million
Payment schedule	<ul style="list-style-type: none"> Quarterly instalments according to approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> The national Department of Social Development will develop ECD infrastructure grant guidelines for each of the two areas listed above that must be issued to the provinces by 31 March 2021 The national DSD will issue provinces with guidelines and reporting templates for the health and hygiene activities funded from this component DSD must report separately on COVID-19 progress and expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Provinces must adhere to the requirements in the ECD health and hygiene guidelines issued by national DSD in the implementation of the grant Provinces must submit a draft list of all eligible ECD sites that have been assessed to benefit from the grant in 2022/23 to DSD by 30 September 2021 Provinces must provide a procurement plan on how they will implement their projects in the 2022/2023 financial year by 30 November 2021 The reasons for the centre being unregistered or conditionally registered including the Environmental Health Report must be kept in the file for each ECD centre by the ECD programme manager. Ensure that claims are submitted to DSD to allow for transfer of funds by DSD in line with the payment schedule approved by the National Treasury Maintain a database of all ECD centres that have been assisted through the infrastructure component of the grant by the ECD infrastructure project manager. The ECD programme manager must maintain a database of all ECD centres that have improved their registration status Provinces must record all infrastructure projects on the National Treasury's infrastructure reporting model Provinces must adhere to the requirements in the ECD infrastructure grant guidelines issued by national DSD in the implementation of the grant
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Engagement with provincial departments on submission of business plans between September 2021 and February 2022 Submit final provincial business plan, including cash flow projections and compliance certificate signed-off by HoDs for 2022/23 financial year to the DSD by 11 February 2022 The transferring officer must approve provincial business plans by 1 April 2022

Early Childhood Development Grant: Subsidy Component	
Transferring department	<ul style="list-style-type: none"> • Social Development (Vote 19)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To increase access to quality early childhood development (ECD) services for poor children
Grant purpose	<ul style="list-style-type: none"> • To increase the number of poor children accessing subsidised ECD services through centre and non-centre based programmes
Outcome statements	<ul style="list-style-type: none"> • The provision of ECD services to poor children
Outputs	<ul style="list-style-type: none"> • Number of eligible children subsidised, as agreed in the service level agreements (SLA) • Number of all children attending ECD services in fully registered centres • Number of all children attending ECD services in conditionally registered centres • Number of children subsidised from the conditional grant in fully registered centres • Number of children subsidised from the conditional grant in conditionally registered centres • Number of days subsidised for centre based programmes • Number of children subsidised through provincial own revenue including equitable share that are benefiting from the to-up grant • Number of equitable share children benefiting from the top up grant • Number of ECD practitioners and other staff employed in registered ECD centres benefiting from the conditional grant
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The provincial departments will use a single business plan issued by the national Department of Social Development (DSD) for the two grant components (i.e. subsidy and infrastructure) which contains the following: <ul style="list-style-type: none"> ○ project background ○ project objectives ○ scope of the work ○ deliverables and outputs to be achieved ○ risk assessment with mitigation plan
Conditions	<ul style="list-style-type: none"> • Fully registered and conditionally registered ECD programmes will be eligible for the subsidy in both centre and non-centre based programmes • The subsidy is targeted for children in ECD services from birth until the year before children enter formal school or in case of children with developmental difficulties and disabilities, until the year before the calendar year they turn seven, which marks the age of compulsory schooling or special education • The provincial DSD and ECD service providers will enter into SLAs which stipulate the purpose of the subsidy, the amount of the subsidy, conditions of the subsidy and obligations of both provincial DSD and ECD service providers with regards to the payment of the subsidy and reporting requirements • The value of the subsidy paid to each ECD centre will be calculated as follows: <ul style="list-style-type: none"> ○ R17.00 multiplied by the number of days (264), multiplied by the number of qualifying children attending the ECD centre as agreed to in the SLA • The value of the subsidy paid to each registered non-centre based ECD programme will be calculated as follows: <ul style="list-style-type: none"> ○ R6.00 multiplied by the number of sessions, multiplied by the number of qualifying children attending as agreed to in the SLA • The full value of the subsidy will be paid in equal parts in line with the SLA and any changes to the payment schedule must be aligned to a determination of non-compliance as defined in the SLA • Once funds are transferred to ECD service providers the department may not pre-approve how the funds are to be utilised other than what is stipulated in the SLA • All allocations must be aligned to the number of children registered and eligible for the subsidy as per the SLA and can only be reduced as per the process outlined in the SLA. Allocations may not be changed in-year, based on attendance • The subsidy must target ECD centres and non-centre based programmes or qualifying children in line with the process set out below: <ul style="list-style-type: none"> ○ an ECD centre and non-centre based programme is eligible to be subsidised if it is located in a designated municipal ward that has been identified for universal targeting of subsidies ○ children attending these ECD centres and non-centre based programmes will not be subjected to an individual means test and all children in these programmes must be taken into account when calculating the subsidy ○ if the child is attending an ECD centre or non-centre based programme falling outside of those municipal wards that have been identified for universal targeting, a means test can be applied as outlined below

Early Childhood Development Grant: Subsidy Component	
	<p>Income based means test:</p> <ul style="list-style-type: none"> • Income of parents or caregivers may not exceed the means test values applied for receipt of the child support grant for a single parent and married parents as gazetted by national DSD in 2021. This is updated each year with the increase in the grant value • In the case of children receiving a child related social assistance grant the original, reprinted or certified copies of proof of receipt of the child related grant (child support grant or the foster care grant) as issued by South African Social Security Agency must be submitted • In the case of children who are not beneficiaries of a child related grant the following must be submitted: <ul style="list-style-type: none"> ○ proof of income of parents (or caregivers) ○ three months' bank statement of parents or guardians ○ affidavit declaring status of income
Allocation criteria	<ul style="list-style-type: none"> • The provincial subsidy allocations are determined based on the following: <ul style="list-style-type: none"> ○ the subsidy rate of R17.00 multiplied by the number of children targeted using the 2020/21 subsidy budget for the conditional grant ○ topping-up the equitable share funded subsidies to R17.00 using the actual number of children subsidised through equitable share as at end of March 2019
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • To allow DSD to better facilitate expansion of ECD services in the country • ECD is a national priority and requires uniform implementation in order to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the subsidy expansion grant allocation of R424 million, 100 per cent was transferred to provinces and R422 million (99 per cent) was spent by the end of the financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 124 673 targeted children benefitted from the subsidy and • 548 961 children that are subsidised through provincial own revenue including equitable share benefitted from the top-up grant
Projected life	<ul style="list-style-type: none"> • The grant will be allocated over the 2021 medium term expenditure framework period, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R963 million; 2022/23: R1.1 billion and 2023/24: R1.1 billion
Payment schedule	<ul style="list-style-type: none"> • Quarterly instalments according to approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Review standardised SLAs to be entered into between provincial DSDs and ECD service providers • Review and update the subsidy guidelines that must be issued to provinces by 26 March 2021 in consultation with the National Treasury <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Conclude SLAs with ECD service providers in a format prescribed by the DSD • Ensure that payments are made in line with the payment schedule as per the SLAs with ECD service providers • Subsidies must be made into the ECD service providers designated bank accounts, which must be with a registered deposit taking institution in the Republic of South Africa • Subsidies may only be reduced in cases of non-compliance as outlined in the prescribed SLA • Use the information reported in the quarterly reports from ECD service providers to develop and maintain a master list of all children benefitting from the ECD subsidy • Maintain a database on the status of full and conditional registration of all ECD centres and non-centre based programmes in the province that includes the following basic information: <ul style="list-style-type: none"> ○ registration status ○ capacity of the centre ○ number of children in attendance ○ number of children subsidised ○ number of children with disabilities subsidised ○ number of children with disabilities in attendance • Maintain a database of all ECD staff in centres benefitting from the equitable share and conditional grant
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Engagement with provincial departments on submission of business plans between September 2021 and February 2022 • Submit final provincial business plans for 2022/23, including cash flow projections and compliance certificates signed-off by Heads of Departments to the DSD by 15 February 2022 • The transferring officer must approve provincial business plans by 1 April 2022

SPORTS, ARTS AND CULTURE GRANTS

Community Library Services Grant	
Transferring department	<ul style="list-style-type: none"> • Sports, Arts and Culture (Vote 37)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To enable the South African society to gain access to knowledge and updated information that will improve its socio-economic status
Grant purpose	<ul style="list-style-type: none"> • To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives
Outcome statements	<ul style="list-style-type: none"> • Improved coordination and collaboration between national, provincial and local government on library services • Equitable access to library and information services delivered to all rural and urban communities • Improved library infrastructure and services that meet the specific needs of the communities they serve • Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs • Improved culture of reading and literacy development
Outputs	<ul style="list-style-type: none"> • 290 000 library materials (books, periodicals, toys etc.) purchased • Library information and communication technology infrastructure and systems software installed and maintained in all provinces • New services established for the visually impaired at 25 identified community libraries in all provinces • 22 new library structures completed • 4 new library services established for dual-purpose libraries • 13 upgraded library structures • 22 maintained library structures • 2 473 existing contract library staff maintained in all provinces • Number of new staff appointed for dual-purpose libraries • 68 new staff appointed at public libraries to support the shifting of the function to provinces • Capacity building programmes for public librarians • Number of units of personal protective equipment procured (by type) • Litres of sanitisers procured • Community Libraries deep cleaned due to Covid-19
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 6: Social cohesion and safe communities
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • The provincial business plans must be developed in accordance with identified priority areas • Provincial departments may only request (in writing, to the transferring officer) to amend the business plan by the end of October 2021 • Provinces should notify the transferring officer should there be variation orders exceeding 10 per cent within 30 days • Provinces may not exceed the 20 per cent threshold provided for variation orders on infrastructure projects without the approval of the transferring officer • To qualify for allocations in 2022/23 provinces must submit progress reports that detail a phased approach towards the full funding of the function, either by assignment to municipalities, or preparation of provinces to take over the function, or a combination of both. This process must be completed by the end of the 2021 Medium Term Expenditure Framework (MTEF) period • Grant funding must not be used to replace funding for items that provinces have previously allocated to community libraries • Provinces may use a maximum of 5 per cent of the total amount allocated to them for capacity building and provincial management of the grant at the provincial department and the details of how these funds will be used must be included in their respective business plans • Provinces must include in their business plans, the scope of work for upgrades, including the budget to be committed to the upgrading of existing libraries • Provinces must include in their business plans the budget for maintenance of projects • Funds earmarked to support Schedule 5 function shift in category B municipalities and to establish dual purpose service points may only be used for that purpose. Provinces may use up to 80 per cent of their earmarked allocations in 2021/22 to address the Schedule 5 function shift imperative in category B municipalities. At least 20 per cent of the earmarked allocations must be used to establish and sustain dual purpose service points in collaboration with provincial departments of basic

Community Library Services Grant	
	<p>education. The detail of how these funds will be used by provinces must be included in their respective business plans. The total earmarked allocations per province are as follows:</p> <ul style="list-style-type: none"> o Eastern Cape: R68 million o Free State: R87 million o Gauteng: R93 million o KwaZulu-Natal: R84 million o Limpopo: R29 million o Mpumalanga: R65 million o Northern Cape: R58 million o North West: R71 million o Western Cape: R84 million <ul style="list-style-type: none"> • Service level agreements (SLAs) determining reporting protocols must be signed with receiving municipalities within two months after the 2021 Division of Revenue Act (DoRA) takes effect • The SLAs must include financial commitments over the MTEF in addition to the payment schedules to municipalities and reporting protocols which outline measurable performance targets for each municipality • The allocations from this conditional grant funding must only be used for items that are provided for in the conditional grant framework and in line with the approved business plan • To respond to the COVID-19 pandemic, provinces may submit revised business plans that include the use of grant funds for hand sanitizer for library users, sanitization and deep cleaning of libraries and provision of personal protective equipment for staff • Provinces must report separately on COVID-19 expenditure, in their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on an evaluation report for 2019/20 conducted by the national Department of Sports, Arts and Culture (DSAC) which identified community library needs and priorities for 2021
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This funding is intended to address backlogs and disparities in the provision and maintenance of community library services across provinces, and enable the DSAC to provide strategic guidance and alignment with national priorities
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated R1.5 billion and 100 per cent of the allocation was transferred to provinces. R1.3 billion was spent by provinces by the end of the financial year, 89.6 per cent of the total after including provincial roll-overs <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 11 new libraries built • 44 libraries upgraded • 59 new staff appointed • 394 984 library materials procured
Projected life	<ul style="list-style-type: none"> • The projected life will be informed by evaluation reports. Allocations may become part of the provincial equitable share in 2023/24 if provinces have completed the function shift and completed a process that leads to the full funding of the service
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R1.5 billion; 2022/23: R1.6 billion and 2023/24: R1.6 billion
Payment schedule	<ul style="list-style-type: none"> • Four instalments: 16 April 2021; 16 July 2021; 15 October 2021; and 21 January 2022
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Establish an intergovernmental forum with provinces that meets at least twice a year to discuss issues related to the provision of community library services • Participate in at least one intergovernmental forum meeting per province between provinces and municipalities per year • Identify challenges and risks and prepare mitigation strategies • Monitor and evaluate implementation • Evaluate annual performance of the grant for the previous financial year, for submission to National Treasury within four months after the end of the financial year • Submit monthly financial and quarterly performance reports to the National Treasury • Determine outputs and targets for 2022/23 with provincial departments • DSAC must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 12 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provinces must establish intergovernmental forums with municipalities within their province that are funded through this grant, that meet at least three times a year to discuss issues related to the provision of community library services • Provincial departments must establish capacity to monitor and evaluate SLAs with municipalities • Provinces must maintain the number of staff appointed using this conditional grant • Submit evaluation reports to the DSAC within two months after the end of the financial year • Submit signed monthly financial reports of provinces to DSAC within 15 days after the end of every month

Community Library Services Grant	
	<ul style="list-style-type: none"> • Submit quarterly performance reports to the DSAC within 30 days after the end of the quarter • Provinces must complete the conversion of contract staff to permanent staff by end of June 2023 • Provinces must report separately on COVID-19 expenditure, in their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Provinces must submit a draft function shift progress report to DSAC for comment by 6 August 2021. A final progress report must be submitted by 1 October 2021 • Progress reports must detail at least the following: <ul style="list-style-type: none"> ○ criteria that will be used to evaluate the capacity of municipalities to administer the function on behalf of the province ○ a policy framework for funding municipalities that administer the service with details of this funding for a three-year time period • Provinces to submit draft business plans to DSAC by 2 September 2021. Business plans must be aligned to their strategies for full funding of the function • DSAC to evaluate provincial business plans and provide feedback to provinces by 30 September 2021 • Provinces to submit final provincial business plans to DSAC by 31 January 2022 • DSAC approves business plans and submits them to National Treasury by 31 March 2022

Mass Participation and Sport Development Grant	
Transferring department	<ul style="list-style-type: none"> • Sports, Arts and Culture (Vote 37)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • Increasing citizens' access to sport and recreation activities
Grant purpose	<ul style="list-style-type: none"> • To facilitate sport and active recreation participation and empowerment in partnership with relevant stakeholders
Outcome statements	<ul style="list-style-type: none"> • Increased and sustained participation in sport and active recreation • Improved sector capacity to deliver sport and active recreation
Outputs	<ul style="list-style-type: none"> • School sport <ul style="list-style-type: none"> ○ learners supported to participate in the National School Sport Championships ○ learners participating in school sport tournaments at a provincial level ○ learners participating in school sport tournaments at a district level ○ schools provided with equipment and/or attire ○ people trained ○ school sport coordinators remunerated ○ school sport structures supported • Community sport and active recreation <ul style="list-style-type: none"> ○ Active recreation (Siyadlala) <ul style="list-style-type: none"> ○ people actively participating in organised sport and active recreation events ○ indigenous games clubs supported per code ○ hubs provided with equipment and/or attire ○ active recreation coordinators remunerated ○ number of learners attending the Youth Camp ○ people trained in Siyadlala ○ Club development <ul style="list-style-type: none"> ○ local leagues supported ○ people trained (active recreation and sport academies) ○ club coordinators remunerated ○ clubs participating in the Rural Sport Development Programme ○ clubs provided with equipment and or attire ○ Sport academies <ul style="list-style-type: none"> ○ athletes supported by the sport academies ○ sport academies supported (equipment and personnel) ○ sport focus schools supported ○ Netball World Cup 2023 <ul style="list-style-type: none"> ○ preparations for Netball World Cup 2023 supported ○ Transversal matters <ul style="list-style-type: none"> ○ sport and active recreation projects implemented by the provincial sports confederation ○ provincial programmes contributing to "I choose 2B Active" implemented ○ sports bus maintained and operational ○ Management <ul style="list-style-type: none"> ○ staff appointed on a long term contract ○ administration standards met
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 6: Social cohesion and safe communities
Details contained in the business plan	<ul style="list-style-type: none"> • Grant purpose • Outcome indicators • Grant outputs • Output indicators • Key activities
Conditions	<ul style="list-style-type: none"> • Provincial compliance <ul style="list-style-type: none"> ○ Provinces must ensure that: <ul style="list-style-type: none"> ○ all structures at all levels are aligned to the 16 Department of Sports, Arts and Culture (DSAC) priority codes to contribute to seamless service delivery (Football, Netball, Rugby, Cricket, Athletics, Basketball, Volleyball, Goalball, Swimming, Gymnastics, Hockey, Softball, Chess, Table Tennis, Tennis, Amateur Boxing) ○ 50 per cent of hubs and clubs supported must be from rural and farm areas ○ list of schools, hubs and clubs must be provided with the Business Plan and the support required. ○ Performance evidence in prescribed format must be timeously submitted, irrespective of the status of the project, as per the technical indicator descriptors ○ funds from this grant are not used on projects falling outside the scope of the grant unless, following a written request, approval to such effect is granted by the transferring officer ○ The provincial allocation must be utilised as follows: <ul style="list-style-type: none"> ○ school sport: 40 per cent ○ community sport and active recreation: 39 per cent ○ sport academies: 9 per cent ○ transversal matters: 4 per cent ○ management: 8 per cent

Mass Participation and Sport Development Grant	
	<ul style="list-style-type: none"> • Provinces, based on their provincial dynamics, may apply to the transferring officer to change the above sub-allocations <p>School sport: 40 per cent</p> <ul style="list-style-type: none"> • Provinces must ring-fence R9.5 million to provide transport, attire and delivery of provincial teams to the various segments of the national school sport championships. The allocation to the host province will consider the funds required for hosting the national championships and will include accommodation, meals and other costs associated with staging of the championships • The other provision of R500 000, will be for the participation of School Sport Team at the 2021 International School Sport Federation (ISF) Championships in China • The remaining school sport allocation must be allocated as follows: <ul style="list-style-type: none"> ○ 10 per cent for training of people to deliver school sport ○ 20 per cent to purchase equipment and or attire for schools below quintile 3 identified through participation in leagues ○ 40 per cent to deliver district and provincial competitions ○ 15 per cent to remunerate coordinators who coordinate, support, monitor and evaluate school sport at district and local levels ○ 15 per cent to support school sport structures <p>Community sport and active recreation: 39 per cent</p> <p>Active recreation: 19 per cent</p> <ul style="list-style-type: none"> • Provinces must ring-fence R3 million per province for the National Youth Camp to provide transport, accommodation, meals, attire, security, public liability, medical support, stationery, and the costs associated with plenary meetings • The remaining active recreation allocation must be allocated as follows: <ul style="list-style-type: none"> ○ 40 per cent for people actively participating in organised sport and active recreation events ○ 20 per cent to purchase equipment and attire ○ 20 per cent for remuneration of community sport coordinators ○ 5 per cent for ministerial outreach programmes ○ 15 per cent for training <p>Club development: 20 per cent</p> <ul style="list-style-type: none"> • The portion of the grant ring-fenced for club development must be allocated as follows: <ul style="list-style-type: none"> ○ 65 per cent to support leagues and the clubs that are in the rural sport development programme club development ○ 15 per cent for accredited training in sport administration, team management, coaching and technical officiating ○ 15 per cent to purchase sport equipment and attire ○ 5 per cent for remuneration of club development coordinators <p>Sport academies: 9 per cent</p> <ul style="list-style-type: none"> • The allocation must be used for the support and resourcing of district and provincial academies in line with sport academies framework and guidelines of DSAC <ul style="list-style-type: none"> ○ 40 per cent for resourcing of district and provincial academies (equipment and remuneration of personnel) ○ 40 per cent for athlete support as documented in the academy framework ○ 5 per cent for sport focus schools ○ 15 per cent training • The allocation must be used to provide support to accredited sport focus schools that meet the specified requirements outlined in the sport academies framework. Provision of support to schools includes: <ul style="list-style-type: none"> ○ upgrading sport facilities ○ resourcing them with a gymnasium ○ establishing a basic medical facility/room with basic equipment ○ providing sport code specific equipment <p>Transversal matters: 4 per cent</p> <p>Provincial sport confederation: 2 per cent</p> <ul style="list-style-type: none"> • Provinces may transfer funds to the provincial sport confederation provided: <ul style="list-style-type: none"> ○ a transfer plan has been developed and submitted together with a signed business plan approved by DSAC ○ a service level agreement has been entered into between the provincial department and the provincial sport confederation stating clearly what is expected of the provincial sport confederation ○ a monitoring mechanism is in place to monitor expenditure and performance by the sport confederation as per the SLA <p>Provincial programmes: 1 per cent</p> <ul style="list-style-type: none"> • These are specific provincial programmes that contribute to the “I Choose 2B Active” Campaign and Recognition programme <p>Branding: 1 per cent</p> <ul style="list-style-type: none"> • Branding for the sport and recreation events • Sport Bus <p>Management: 8 per cent</p> <p>Appointing staff: 7 per cent</p> <ul style="list-style-type: none"> • Provinces are expected to utilise this portion of the allocation for the appointment of staff

Mass Participation and Sport Development Grant	
	<ul style="list-style-type: none"> Staff must be appointed on a three-year contract to implement conditional grant programmes. The allocation is not for support staff in programmes such as finance, planning, monitoring and evaluation or research <p>Administration: 1 per cent</p> <ul style="list-style-type: none"> Provinces are expected to use this portion of the allocation to ensure that all their submissions are packaged properly (including business plans project implementation plan monthly, quarterly and annual reports) and for logistical arrangements relating to the administration of the grant
Allocation criteria	<ul style="list-style-type: none"> Each province is allocated a baseline of R20 million, thereafter the equitable share formula proportions are applied to determine the remaining amount R30 million from the total conditional grant allocation is ring-fenced towards the preparation and delivery of the 2023 Netball World Cup and is allocated to the Western Cape province Northern Cape's allocation is increased due to ensure an increase in participation due to the vastness of the Province. R2 million and R3 million has been deducted from Gauteng and KwaZulu-Natal respectively to fund this Each province will contribute a total amount of R500 000 towards the participation of school sport to the ISF Gymnastrada which will be held in China from 16-23 October 2021. This amount will be allocated to Gauteng Province for processing
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The conditional grant is assisting the sport sector in implementing the National Sport and Recreation Plan objectives
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> R620 million was allocated and R620 million (100 per cent) was transferred to provinces. R627 million was available for provinces to spend (including provincial roll-over of R7 million). R540 million (86 per cent) was spent by provinces <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 451 996 people actively participating in organised sport and active recreation events 120 345 learners participating in school sport tournaments at district level 2 963 schools, hubs and clubs provided with equipment and/ or attire 5 548 athletes supported by the sport academy 55 sport academies supported
Projected life	<ul style="list-style-type: none"> Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R591 million; 2022/23: R602 million; 2023/24: R604 million
Payment schedule	<ul style="list-style-type: none"> Four instalments: 26 May 2021; 26 August 2021; 25 November 2021 and 26 January 2022
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Evaluate annual reports for the 2020/21 grants for submission to the National Treasury by 30 July 2021 Agree on outputs and targets with provincial departments in line with grant objective for 2022/23 by 30 August 2021 Provide the guidelines and criteria for the development and approval of business plans Monitor implementation and provide support Submit approved business plan for 2021/22 to the National Treasury by 30 April 2021 Submit quarterly performance reports to National Treasury 45 days after the end of each quarter Ensure that all the conditional grant practice notes issued by National Treasury are adhered to Desktop monitoring: analysis of monthly and quarterly reports received by provinces Physical verification visits to the provinces to verify what has been reported in the monthly and quarterly reports Hold quarterly review sessions with all conditional grant role players from the provinces May implement internal mechanisms to manage the quarterly disbursements of the grant where there is non-compliance with the conditions of the grant. This may include withholding and reallocation of tranche payments <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Submit the 2020/21 annual evaluation report to DSAC by 28 May 2021 Submit monthly reports as per the requirements contained in the 2021 Division of Revenue Act Monitor progress of programmes delivered through the conditional grant Western Cape province must report on progress with preparatory work for the 2023 Netball World Cup so that spending and progress on these activities can be separated from the performance of the rest of the grant Ensure that conditional grant managers attend all national conditional grant meetings Ensure that capacity exists to manage the grant and that there is a grant manager responsible for the grant framework, planning, implementation and reporting Ensure organisational capacity to deliver on the programmes that are implemented through the grant
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Provinces submit draft business plan to DSAC by 10 December 2021 DSAC evaluates draft business plans by 15 December 2021 Comments sent to provinces by 14 January 2022 Provinces submit revised business plans to DSAC by 11 February 2022 Head of Department approves business plan by 30 March 2022 DSAC submits business plans to National Treasury by 29 April 2022

TRANSPORT GRANTS

Provincial Roads Maintenance Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 40)
Grant schedule	<ul style="list-style-type: none"> • Schedule 4, Part A
Strategic goal	<ul style="list-style-type: none"> • To ensure efficient and effective investment in provincial roads to implement the Road Infrastructure Strategic Framework for South Africa (RISFSA) in line with the S'hamba Sonke road programme and other related road infrastructure asset management programmes
Grant purpose	<ul style="list-style-type: none"> • To supplement provincial investments for road infrastructure maintenance (routine, periodic and special maintenance) • To ensure that all roads are classified as per the Road Infrastructure Strategic Framework for South Africa (RISFSA) and the technical recommendations for highways, and the Road Classification and Access Management guidelines • To implement and maintain road asset management systems (RAMS) • To supplement provincial projects for the repair of roads and bridges damaged by unforeseen incidents including natural disasters • To improve road safety with a special focus on pedestrian safety in rural areas
Outcome statements	<ul style="list-style-type: none"> • Improve the condition and lifespan of provincial roads and level of service backed by a periodic five year review of the road network conditions • Improved rates of employment and community participation through labour-intensive construction methodologies and skills development through the delivery of roads infrastructure projects
Outputs	<ul style="list-style-type: none"> • Final road asset management plan (RAMP) and tabled project list for the 2021 medium term expenditure framework (MTEF) in a table B5 format finalised by 30 March 2021 • Network condition assessment and determination of priority projects list from the road asset management systems (RAMS) • The following actual delivery related measures against 2021/22 targets defined in the final road asset management plan RAMP and annual performance plan (APP) for each province: <ul style="list-style-type: none"> ○ number of m² of surfaced roads rehabilitated (quarterly) ○ number of m² of surfaced roads resurfaced (overlay or reseal) ○ number of m² of blacktop patching (including pothole repairs) ○ number of kilometres of gravel roads re-gravelled ○ number of kilometres of gravel roads bladed ○ number of kilometres of gravel roads upgraded (funded from provincial equitable share) • The following performance, based on national job creation indicators: <ul style="list-style-type: none"> ○ number of jobs created ○ number of full time equivalents created ○ number of youths employed (age 18 – 35) ○ number of women employed ○ number of people living with disabilities employed • Number of small, medium micro enterprises contracted on the provinces' contractor development programme <ul style="list-style-type: none"> ○ updated road condition data (paved and unpaved) including instrumental/automated road survey data, traffic data, safety audit report and bridge conditions
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses a road asset management plan (RAMP), which contains the following details: <ul style="list-style-type: none"> ○ network hierarchy ○ performance management framework ○ gap analysis ○ information and systems, and lifecycle planning ○ current and future demand ○ financial plan ○ monitoring, reviewing and continual improvements
Conditions	<ul style="list-style-type: none"> • To ensure efficient usage of grant funds, the Department of Transport (DoT), in consultation with National Treasury, can instruct that provinces utilise national transversal appointments for project implementation • This grant funds routine, periodic and special maintenance road infrastructure projects • Provinces must show commitment by budgeting from the provincial equitable share to match or exceed grant allocations • This grant may fund visual condition inspections, wherein not more than R6500/km and R2500/km may be used for paved and gravel roads respectively • Any other improvements, upgrading from gravel to surface roads and new facilities must be funded from the provincial equitable share • Provinces may use a maximum of 25 per cent of the allocation for rehabilitation activities • The framework must be read in conjunction with the practice note issued by the DoT as agreed with National Treasury • The payment of the first instalment is dependent upon submission to the national DoT and the relevant provincial treasury of the following: <ul style="list-style-type: none"> ○ planning for the infrastructure reporting model (IRM) for 2021 MTEF by 23 April 2021

Provincial Roads Maintenance Grant	
	<ul style="list-style-type: none"> ○ final road asset management plan (RAMP) and tabled project list for the 2021 MTEF in a table B5 format by 30 March 2021 ○ submission to DoT of all the quarterly performance reports that have become due for the 2020/21 financial year, in terms of the DoRA and the requirements of this framework, prior to date of release of payment ● Payment of subsequent instalments is dependent upon the submission to the DoT of the: <ul style="list-style-type: none"> ○ previous quarter's monthly IRM reports ○ all quarterly performance reports that have become due, in terms of the DoRA, prior to date of release of payment ● The signed off annual grant performance evaluation report will remain a requirement for the second instalment as required by the DoRA and the requirements of this framework ● The signed off draft RAMP and a project list in Table B5 format will remain a requirement for the third instalment as required by this Framework. ● For RISFSA Class R1, R2 and R3 roads, data collection requirements are: <ul style="list-style-type: none"> ○ visual condition data according to technical methods for highway (TMH) 9 for pavements no older than two years, and TMH 19 for bridges no older than five years ○ instrumental pavement data for roughness, rut depth and macro texture according to TMH 13 no older than two years ○ instrumental pavement data for deflections according to TMH 13 no older than five year ○ traffic data according to TMH 3, TMH 8 and TMH 14 no older than three years ● Provinces must submit into a central repository, updated road condition data, (for paved and unpaved) including instrumental/ automated road survey data, traffic data, safety audit report and bridge conditions by 30 September 2021 ● The Provincial Road Maintenance Grant (PRMG) allocation can be allocated to the following projects as identified and prioritised through the provincial road asset management systems (RAMS): <ul style="list-style-type: none"> ○ routine maintenance (opex): includes day-to-day routine activities such as cleaning drains and culverts, vegetation control, line marking, guard rail repair, road sign repair, crack sealing, patching, edge repair, spot regravelling, and blading ○ periodic maintenance (opex): includes periodically scheduled activities such as fog sprays/diluted emulsions/rejuvenators, surface seals and functional asphalt overlays < 50 mm in thickness. For gravel roads it includes re-gravelling up to 100 mm thick ○ special maintenance (opex): includes the repair of selected pavement areas up to maximum of 25 per cent of project length followed by application of surface seal or functional asphalt overlay < 50 mm. Also includes reinstatement of slope stability, repairs to existing structures and the repair of damage caused by floods or accidents ○ rehabilitation (capex): includes increasing the structural capacity of an existing pavement through the recycling of existing layers and/or addition of new granular layers or structural asphalt overlays > 80mm thick and upgrading or block paving of gravel roads with more than 300 vehicles per day. These rehabilitation activities are however limited to a maximum of 25 per cent of the PRMG allocation ● The PRMG allocation cannot be allocated to the following projects: <ul style="list-style-type: none"> ○ any costs associated with feasibility studies, tendering and programme management support ○ the hire, purchasing, repairs, maintenance and operational costs of construction plant and equipment ○ improvements (Capex): this comprises works that aim to improve the quality of service on roads with an unacceptable quality of service. These include measures of improving quality of service on existing roads such as increases the width in selected areas (i.e. addition of climbing/passing lanes), increases in the width over the total length of the project i.e. addition of paved shoulder and localised geometric and intersection improvements. These activities could in some instances include complete rehabilitation of the existing pavement structure ○ the upgrading of gravel roads to surface roads, the construction of new roads and new interchanges do not qualify for funding under this grant ○ new facilities (capex): this comprises works that aim to improve network capacity and includes the upgrading of earth (dirt) road to an engineered gravel road, the upgrading of a gravel road to a surfaced road and upgrading of single carriageway road to four-lane or dual carriageway road. ○ The construction of new gravel or surfaced road where previously no road existed (brown/green fields construction). The construction of new bridge to replace existing bridge or new interchange to replace intersection
Allocation criteria	<ul style="list-style-type: none"> ● Allocations are based on the Provincial Roads Maintenance Grant 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 ● Unallocated amounts in 2022/23 and 2023/24 will be allocated as an incentive based on the level of service efficiency achieved in road project investments undertaken
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● This grant is intended to ensure that provinces give priority to road infrastructure and promote efficiency in road investment
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> ● Of the R11.1 billion allocated, R1.4 billion was spent by provinces by the end of the national financial year <p>2019/20 service delivery performance</p>

Provincial Roads Maintenance Grant	
	<ul style="list-style-type: none"> • provinces developed / updated the Road Asset Management Plan • 22 232 kilometres (km) of surfaced roads visually assessed as per the applicable TMH manual • 26 575 kilometres (km) of gravel roads visually assessed as per the applicable TMH manual • 3267 714 of m2 of surfaced roads rehabilitated (effectively 934 km) • 6 330 463 of m2 of surfaced roads resurfaced (overlay or reseal) (effectively 1809 km) • 1 947 598 of m2 of blacktop patching (including pothole repairs) (effectively 556 km) • 3 743 kilometres (km) of gravel roads re-gravelled • 378 458 kilometres (km) of gravel roads bladed • 190 kilometres (km) of gravel roads upgraded (funded from provincial equitable share) • 142 908 number of jobs created • 56 659 number of full time equivalents created • 45 452 number of youths employed (18 — 35) • 94 701 number of women employed • 504 number of people living with disabilities employed • 340 number of small medium micro enterprises were contracted
Projected life	<ul style="list-style-type: none"> • The grant is ongoing, but will be subject to periodic review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R11.9 billion; 2022/23: R12.5 billion and 2023/24: R13 billion
Payment schedule	<ul style="list-style-type: none"> • Payment will be made in accordance with a payment schedule agreed to with provinces and approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Submit quarterly performance reports to National Treasury 45 days after the end of each quarter • Submit a grant evaluation report to National Treasury four months after the end of the financial year • Review the performance based allocation mechanism for use in determining future allocations • Confirm the correctness of data submitted by provinces by assessing a representative sample • Ensure that road asset management plan (RAMP), project list and infrastructure reporting model (IRM) are updated and aligned • Implement internal mechanisms to monitor adherence to grant conditions and manage the disbursements of the grant where there is non-compliance. Measures to address non-compliance include withholding transfers, as provided for in section 17 of the DoRA. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of sections 18 and 19 of DoRA • Upload submitted road condition data into a central repository • Monitor project implementation quarterly through bilaterals and site inspections
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provincial departments must submit monthly infrastructure reports that comply with the IRM to DoT and the relevant provincial treasury 22 days after the end of each month • Provinces must align the RAMP, project list and ensure the IRM is kept up to date • Reports from provinces shall also have information on job creation and contractor development programme • Ensure that Table B5 project list is tabled at the provincial legislature before being gazetted by the MEC • Submit completed and signed off quarterly performance report templates 30 days after the end of each quarter, together with a separate and signed off report on safety projects as per the requirements of the Performance Incentive allocation • Submit completed and signed off annual grant performance evaluation reports 2 months after the end of each financial year, together with a separate chapter/report on safety projects as per the requirements of the performance incentive allocation • Provincial departments must implement their projects in line with the S'hamba Sonke and the Expanded Public Works Programme guidelines • Ensure that approved grant funded projects are published as part of the Estimates of Provincial Revenue and Expenditure through the provincial legislative processes • Ensure projects are selected using RAMS as the primary source of information • Design and implement projects in compliance with the S'hamba Sonke Principles and Expanded Public Works Programme guidelines • Submit updated road condition data (for paved and unpaved roads) including instrumental/ automated road survey data, traffic data, safety audit report and bridge condition data by 30 September 2021
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Provinces must submit a draft 2022/23 RAMP with a minimum of five years of planned projects selected using RAMS as the primary source, by 30 September 2021 • RAMPs, including 2022 MTEF prioritised project lists, must be reviewed by DoT and feedback provided by 28 January 2022 • Provinces to submit final 2022/23 RAMP to DoT, relevant provincial treasury and National Treasury by 30 March 2022

Public Transport Operations Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 40)
Grant schedule	<ul style="list-style-type: none"> • Schedule 4, Part A
Strategic goal	<ul style="list-style-type: none"> • Subsidised road based public transport services
Grant purpose	<ul style="list-style-type: none"> • To provide supplementary funding towards public transport services provided by provincial departments of transport
Outcome statements	<ul style="list-style-type: none"> • The provision of public transport services in terms of contracts which are kilometre based and affordable to the users of the services • Improved efficiencies in public transport spending
Outputs	<ul style="list-style-type: none"> • Number of vehicles subsidised • Number of vehicles subsidised (cumulative annual number) • Number of scheduled trips • Number of trips operated • Number of passengers • Number of kilometres • Number of employees <p>Response to COVID-19 pandemic</p> <ul style="list-style-type: none"> • Number of public transport vehicles sanitised • Number of public transport facilities sanitised • Number of hand-washing facilities installed • Litres of sanitiser and disinfectant procured • Number of public transport drivers and other frontline public transport workers provided with personal protective equipment (by type of equipment per category of worker)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 2: Economic transformation and job creation • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • Not applicable
Conditions	<ul style="list-style-type: none"> • This conditional grant provides supplementary funding to subsidise service contracts entered into between the provincial departments of transport and public transport operators for the provision of affordable subsidised transport services • If the contracting function is devolved to any municipality before the 2021/22 adjustment budget, the appropriate portion of the grant will also be devolved to the municipality. The implementation of the devolution should be managed in terms of section 16 of the 2021 Division of Revenue Act (DoRA) • Where contracts are not devolved, provinces must continue performing the contracting function until this function is assigned to a municipality in terms of the provisions of the National Land Transport Act (NLTA – Act 5 of 2009). The municipality and province will have to make transitional arrangements to ensure payments to operators to meet contractual commitments. A service level agreement between the province and the municipality must be signed and funds must flow in line with 2021 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 • In cases where a contract, or part thereof, is transferred in terms of any applicable legislation or legal provision as part of the integrated public transport network (IPTN) of the municipality, the funds allocated to such a contract or part thereof must be ring-fenced and transferred to the municipality taking over the contract from the province • For the purpose of planning, provinces must share relevant information with municipalities relating to this grant, where services link to integrated public transport networks • All new contracts, including designs and operators' business plans detailing subsidised services, must be approved by the Public Transport Integration Committee (PTIC), and be in line with relevant legislation and in compliance with the public transport strategy. Where an Intermodal Planning Committee is established at municipal level, in terms of the NLTA, the functions of the two committees must be consolidated to ensure integration of planning, services and modes • Provinces must ensure that PTICs are established and functional and that no new contracts are paid from the Grant if they are not considered by their PTIC • In order to ensure efficient usage of grant funds, the DoT in consultation with the National Treasury can instruct that contracting authorities utilise national transversal appointment for items such as professional services for service design, vehicles and information technology (including automated fare collection), and vehicle tracking • Arrangements for the IC52/97 (Moloto Road Bus Contract): Part of Gauteng's allocation is ring-fenced for the introduction of a new contract to replace IC52/97 (Moloto Road Bus Contract) in 2021/22 as determined by National Treasury after consultation with the national DoT and the province • To respond to the COVID-19 pandemic, provinces may use grant funds for the sanitisation of public transport vehicles and other public transport facilities, including the provision of personal protective equipment for public transport workers, hand washing facilities and provisions for physical distancing • Provinces must report separately on COVID-19 expenditure, in their reports submitted in terms of section 12 of the Division of Revenue Act

Public Transport Operations Grant															
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on 2009 DoRA allocation baseline, weighted for the average shares of historical contributions that supplement the grant. Provinces/contracting authorities should determine individual operator's budgets and ensure that the operation stays within the allocation or provide supplementary funds from their provincial budget 														
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Subsidies are earmarked for the provision of public transport services 														
Past performance	<p>2019/20 audited financial outcome</p> <ul style="list-style-type: none"> • Allocated and transferred R6.3 billion to provinces of which R6 billion was spent by the end of the national financial year <p>2019/20 service delivery performance</p> <table border="0"> <tr> <td>• Number of vehicles subsidised</td> <td style="text-align: right;">6 353</td> </tr> <tr> <td>• Number of kilometres subsidised</td> <td style="text-align: right;">225 349 765</td> </tr> <tr> <td>• Subsidy per passenger</td> <td style="text-align: right;">R22.21</td> </tr> <tr> <td>• Subsidy per kilometre operated</td> <td style="text-align: right;">R26.76</td> </tr> <tr> <td>• Passengers per vehicle</td> <td style="text-align: right;">3 561.3</td> </tr> <tr> <td>• Passengers per trip operated</td> <td style="text-align: right;">47.6</td> </tr> <tr> <td>• Employees per vehicle</td> <td style="text-align: right;">2.1</td> </tr> </table>	• Number of vehicles subsidised	6 353	• Number of kilometres subsidised	225 349 765	• Subsidy per passenger	R22.21	• Subsidy per kilometre operated	R26.76	• Passengers per vehicle	3 561.3	• Passengers per trip operated	47.6	• Employees per vehicle	2.1
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• Subsidy per kilometre operated	R26.76														
• Passengers per vehicle	3 561.3														
• Passengers per trip operated	47.6														
• Employees per vehicle	2.1														
Projected life	<ul style="list-style-type: none"> • As provided for in the National Land Transport Act 5 of 2009 														
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R7.1 billion; 2022/23: R7.1 billion and 2023/24: R7.4 billion 														
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments according to a payment schedule approved by National Treasury 														
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Disburse allocations to provinces • Collect and evaluate operational and financial data from provinces and consolidate for submission to National Treasury • Maintain national database with key performance indicators of public transport services as per data received from provinces • Submit quarterly and annual reports to National Treasury in line with DoRA requirements and time frames • Advise provinces/contracting authorities regarding the design of contracted services • In the event that a service level agreement is signed between Gauteng province and the national department for the management of the IC52/97 contract, the service level agreement must include provision for capacity and resources needed to administer the contract • Implement internal mechanisms to monitor adherence to grant conditions and manage the disbursements of the grant where there is non-compliance. Measures to address non-compliance include withholding transfers, as provided for in section 17 of the DoRA. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of sections 18 and 19 of DoRA • DoT must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Any contractual agreement entered into in relation to this grant will be the responsibility of the contracting authority • Provincial departments remain responsible for funding any shortfall experienced on this grant from their provincial equitable share • Ensure that contracted operators' certified claims are paid within 30 days from the date of receipt • Provinces must monitor and verify the correctness of the operators' claims in terms of the kilometres of service provided and provide a monthly summary report to the transferring officer • Certify and submit monthly performance reports to DoT within 25 days after the end of the month, and quarterly performance reports within 30 days after the end of each quarter using the reporting format developed by DoT • Provinces must inform the transferring officer of any disputes or challenges that may lead to service disruptions • Provinces must ensure that PTICs are established and functional and that no new contracts are paid from the grant if they are not considered by their PTIC for approval • Provincial Departments must submit monthly report on COVID-19 expenditure at the end of each month 														
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Not applicable 														

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 2021 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(ties) 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
- 2021 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving municipalities
- Process for approval of business plans for 2022/23

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 Division of Revenue Bill, 2021 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2021/22 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

Integrated Urban Development Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To support spatially aligned public infrastructure investment that will lead to functional and efficient urban spaces and ultimately unlock growth
Grant purpose	<ul style="list-style-type: none"> To provide funding for public investment in infrastructure for the poor and to promote increased access to municipal own sources of capital finance in order to increase funding for public investment in economic infrastructure To ensure that public investments are spatially aligned and to promote the sound management of the assets delivered
Outcome statements	<ul style="list-style-type: none"> Improved access to municipal infrastructure Improved quality of municipal services through infrastructure that is in better condition Improved spatial integration
Outputs	<ul style="list-style-type: none"> Number of new water connections meeting minimum standards Number of new sewer connections meeting minimum standards Number of dwellings provided with connections to the main electricity supply by the municipality Percentage of known informal settlements receiving integrated waste handling services during the financial year Additional square meters of parks provided during the financial year Additional square meters of outdoor sports facilities provided during the financial year Additional square meters of public open space provided during the financial year Number of additional community halls provided during the financial year Number of additional libraries provided during the financial year Percentage of unsurfaced roads graded within the financial year Percentage of surfaced municipal road lanes which has been resurfaced and resealed Length of non-motorised transport paths built over the financial year Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs <p>Response to the COVID-19 pandemic</p> <ul style="list-style-type: none"> Amount spent by a municipality on urgent repairs and refurbishment of water and sanitation infrastructure to restore functionality Amount spent by a municipality for sanitisation of public transport facilities and other municipal public facilities that include temperature scanners, hand washing facilities, hand sanitisers (as per the standard determined by the Department of Health), personal protective equipment for municipal and public transport workers and provisions for physical distancing Number of municipal-owned facilities identified for quarantine sites that are repaired (limited to repairs to existing facilities, not modifications and operational costs)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses a three-year capital programme that is aligned with a 10-year Capital Expenditure Framework The three-year capital programme must demonstrate alignment with the Capital Expenditure Framework The three-year capital programme must provide the following detail for each sub-programme that is partially or fully funded by the Integrated Urban Development Grant (IUDG): <ul style="list-style-type: none"> classification of sub-programme as informal settlement upgrading, other new infrastructure or renewal anticipated outputs indication of the proportion of outputs that will be delivered in priority areas as identified in the Spatial Development Framework indication of the proportion of outputs that will benefit low income households, high income households or non-residential customers The three-year capital programme must demonstrate appropriate co-funding for the portion of the programme that does not benefit low income households This grant uses the Municipal Infrastructure Grant-Management Information System (MIG-MIS) registration requirements for ongoing projects that were previously funded from the Municipal Infrastructure Grant
Conditions	<ul style="list-style-type: none"> IUDG funds may only be spent on: <ul style="list-style-type: none"> basic residential infrastructure for the poor for water, sanitation, roads, waste management, street lighting, community facilities as well as associated municipal bulk and connector infrastructure new infrastructure, upgrading existing infrastructure or renewing existing infrastructure maintenance of roads infrastructure mainly serving the poor Before newly participating municipalities can receive their first tranche, their three-year capital programme and 10-year Capital Expenditure Framework must have been approved through processes led by the Department of Cooperative Governance (DCoG)

Integrated Urban Development Grant	
	<ul style="list-style-type: none"> • The second transfer will only be released to municipalities that have spent at least 50 per cent of their first tranche • A maximum of 5 per cent of a municipality's IUDG allocations may be used for programme management costs related to grant funded projects, only if a business plan for their Programme Management Unit is approved by the transferring officer before the start of the municipal financial year. If these funds (5 per cent) are not planned or spent for this purpose they must revert back to capital projects in the IUDG • Local municipalities investing in roads infrastructure must utilise data from the Rural Roads Asset Management System (RRAMS), where available, to identify and prioritise their investment on roads projects; including maintenance • IUDG funds can be used for road maintenance only if projects are planned and prioritised using RRAMS data • Ring-fenced sport infrastructure allocation: <ul style="list-style-type: none"> ○ municipalities that have allocations gazetted as part of the ring-fenced allocation for specific sport infrastructure projects may only spend these allocations on the projects identified by the Department of Sports, Arts and Culture (DSAC) ○ municipalities must make use of framework contracts approved by DSAC when implementing projects funded from this allocation unless an exemption from this requirement is approved by DSAC ○ initial transfers of funds from the ring-fenced funds will be subject to signing of a memorandum of understanding between DSAC and the beneficiary municipalities ○ subsequent transfers funded through the ring-fenced amount will also be subject to approval by DSAC • Municipalities that are already part of the IUDG but do not continue to meet all of the qualification criteria for the grant must adopt and implement a Performance Improvement Plan (PIP) and meet the qualification criteria within 2 years of the implantation of the PIP if they are to remain part of this grant. By the 31st of March 2021 Polokwane Local Municipality and Sol Plaatje Local Municipality must have adopted PIPs, which must: <ul style="list-style-type: none"> ○ be agreed with DCoG ○ set out measurable indicators to improve performance on the gaps in the municipality's performance on IUDG qualification criteria ○ address how the audit action plan will be implemented ○ be adopted by the municipal council • Municipalities implementing a PIP must submit quarterly reports on its progress to DCoG • To respond to the COVID-19 pandemic: <ul style="list-style-type: none"> ○ municipalities must prioritise the provision of water and sanitation to communities that do not currently have access to water services ○ municipalities may spend 10 per cent of their allocations for the urgent repair and refurbishment of water and sanitation infrastructure to restore functionality ○ municipalities may use up to 10 per cent of their allocations for the sanitisation of public transport facilities and other municipal public facilities including the provision of temperature scanners, hand washing facilities, hand sanitisers (as per the standard determined by the Department of Health), personal protective equipment for municipal and public transport workers and provisions for physical distancing; and to repair municipal-owned infrastructure identified for quarantine sites (limited to repairs to existing facilities, not modifications and operational costs) ○ municipalities must submit a separate business plan through their PMU, for this spending under the Special Municipal Infrastructure Fund (SMIF) option in the MIG-MIS by 30 July 2021. Municipalities must report on how these funds are spent through the MIG-MIS. The Department of Cooperative Governance may approve that amounts above the 10 per cent threshold be used for these activities based on the municipality's motivation and its progress on committed projects • Polokwane Local Municipality should not use the sanitisation provision for the sanitisation of public transport facilities as it is funded for this in the Public Transport Network Grant • Municipalities must report on the use of funds for the COVID-19 response in line with the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> • Allocations are focused on municipalities whose circumstances align with the IUDG's criteria, these include: higher urban population densities and high economic activity • The IUDG includes a base component, a performance-based component and a once-off planning component • Most of the total IUDG allocation is the base allocation derived from the Municipal Infrastructure Grant (MIG) formula explained in part five of annexure W1 of the 2021 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data • A portion of the total IUDG allocation is allocated as a performance incentive. The performance-based component is also weighted according to the allocations in the MIG formula. This allocation is then adjusted based on performance against the following weighted indicators: <ul style="list-style-type: none"> ○ non-grant capital as a percentage of total capital expenditure (40 per cent) ○ repairs and maintenance expenditure (30 per cent) ○ asset management plan (30 per cent) ○ land use applications in priority areas (0 per cent - this factor is dormant in 2021/22) ○ building plan applications in priority areas (0 per cent - this factor is dormant in 2021/22)

Integrated Urban Development Grant	
	<ul style="list-style-type: none"> • An equivalent of 3 per cent of the MIG formula allocation for participating municipalities is allocated to undertake specified planning activities, provided that these conform to the list of eligible activities identified by the transferring officer, including: <ul style="list-style-type: none"> ○ a detailed three-year capital programme and a 10-year Capital Expenditure Framework ○ property market empirical and diagnostic studies ○ integrated infrastructure and spatial planning for identified integration zones ○ investment pipeline development ○ municipal systems and/or measures to improve ease of doing business such as construction permits and land use applications ○ asset management plan ○ identified priority areas for spatial transformation in line with the Spatial Development Framework and Capital Expenditure Framework ○ development of infrastructure financing strategies and instruments including finance strategy for green infrastructure ○ implementation of an agreed performance improvement plan ○ private sector engagement strategy and programme indicating how the municipality will partner with different stakeholders on the delivery of the Capital Expenditure Framework ○ development of climate change mitigation and adaptation plan or strategy
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share
Past performance	<ul style="list-style-type: none"> • 90 per cent of the allocated funds were spent
Projected life	<ul style="list-style-type: none"> • The programme will continue up to 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R1 billion; 2022/23: R1.1 billion and 2023/24: R1.1 billion
Payment schedule	<ul style="list-style-type: none"> • The grant will be paid in three instalments: July 2021, December 2021 and March 2022, in line with the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national departments</p> <ul style="list-style-type: none"> • DCoG administers the IUDG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must: <ul style="list-style-type: none"> ○ monitor expenditure and non-financial performance in collaboration with provincial departments of cooperative governance ○ coordinate overall programme implementation ○ share all reports on COVID-19 expenditure with the National Disaster Management Centre and report separately on COVID-19 expenditure in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act • The Municipal Infrastructure Support Agent must support municipalities that have been identified collaboratively by DCoG and its provincial counterparts as needing assistance • In addition to the sector-specific support and advice, the Department of Water and Sanitation, Department of Environment, Forestry and Fisheries, Department of Transport, Department of Mineral Resources and Energy and DSAC will be expected to: <ul style="list-style-type: none"> ○ provide sector policies and plans to municipalities as informants to the preparation of Capital Expenditure Frameworks ○ participate in processes to approve the 10-year Capital Expenditure Framework and three-year capital programme ○ fulfil a sectoral monitoring and guidance role on relevant sectoral outputs. National sector departments will be invited to participate in IUDG in-year monitoring meetings in order to facilitate this role
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Provincial departments responsible for local government must: <ul style="list-style-type: none"> ○ coordinate technical support to municipalities ○ provide assistance to municipalities in managing municipal infrastructure projects ○ participate in processes to approve the 10-year Capital Expenditure Framework and three-year capital programme ○ participate in in-year monitoring meetings ○ verify outputs and outcomes reported by municipalities on a sample of projects annually • Provincial treasuries must: <ul style="list-style-type: none"> ○ participate in processes to approve the 10-year Capital Expenditure Framework and three-year capital programme ○ participate in in-year monitoring meetings
	<p>Responsibilities of the municipalities</p> <ul style="list-style-type: none"> • Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and this must be informed by the Integrated Development Plan, three-year capital programme and the 10-year Capital Expenditure Framework • Municipalities must monitor projects during the year and use this monitoring to inform reporting to DCoG • Municipalities must report monthly, quarterly and at the end of the financial year in the prescribed format(s) and timelines • Monthly, quarterly and annual reports must be signed-off by the Accounting Officer or the delegated official and submitted directly to provincial coordinators of DCoG

Integrated Urban Development Grant	
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Eligibility for the IUDG and minimum conditions for qualification are outlined in Annexure W1 to the 2021 Division of Revenue Bill • If a Category B municipality wishes to apply for the IUDG for 2022/23 and is not already classified as an intermediate city municipality, it must submit an application to be classified as an intermediate city municipality by 30 April 2021. The municipality will receive notification of the outcome of its application by the 30 June 2021 • Category B municipalities that have been classified as intermediate city municipalities and wish to be considered for qualification for the IUDG must submit an application form indicating compliance with minimum conditions by 30 July 2021 • Municipalities that will be receiving the IUDG for the first time in 2022 must submit a first draft of the three-year capital programme and 10-year Capital Expenditure Framework to the transferring officer by 31 March 2021 and the final versions of the three-year capital programme and 10-year Capital Expenditure Framework must be adopted by respective councils by 28 May 2021 • The adopted three-year capital programme and 10-year Capital Expenditure Framework must be submitted to the Department of Cooperative Governance with council resolution no later than 10 days after adoption by council • Municipalities that are already on the IUDG do not need to submit CEFs to DCOG annually unless they embarked on a process to review/ amend their CEF and 3-year Capital Programme in the prior year or advised by DCOG upon conducting a gap analysis on the existing CEF

Municipal Disaster Relief Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> Schedule 7, Part B
Strategic goal	<ul style="list-style-type: none"> To enable a timely response to immediate needs after a disaster has occurred and has been classified by the National Disaster Management Centre (NDMC)
Grant purpose	<ul style="list-style-type: none"> To provide for the immediate release of funds for disaster response
Outcome statements	<ul style="list-style-type: none"> Immediate consequences of disasters are mitigated
Outputs	<ul style="list-style-type: none"> Emergency repair of critical infrastructure Emergency provision of critical goods and services
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Applications for funding from this grant use the National Disaster Management Centre (NDMC) disaster grant guideline which includes the following: <ul style="list-style-type: none"> copy of the applicable contingency plan and emergency procedures in use by the municipality (Section 49(1)(d) of the Disaster Management Act) prevention and mitigation strategies as per the disaster management plan copy of the classification letter in terms of the Disaster Management Act and documentation linked to sections 56 and 57 of the Disaster Management Act number of people, households, livestock and infrastructure affected and the extent of damages and losses sectors affected total funds required for disaster response and relief resources (both financial and in-kind) allocated by the municipality to respond and mitigate the effects of the disaster resources (both financial and in-kind) committed by other role players, including provinces, the private sector, national departments and non-government organisations consolidated project cash flow as an annexure cost-benefit analysis of the projects to be implemented An implementation plan with the following: <ul style="list-style-type: none"> details of the projects to be repaired including Global Positioning System (GPS) coordinates costs of the projects consolidated projects cash flow over six-month period or less as an annexure to the implementation plan An application for a funding contribution may be based on the rapid assessment (preliminary versions of the supporting documentation required above may be accepted for the funding application) Specifics on the rapid response capacity to implement the projects
Conditions	<ul style="list-style-type: none"> Copy of the classification letter in terms of the Disaster Management Act and documentation linked to sections 56 and 57 of the Disaster Management Act This grant may only be used to fund expenditure in the event that the municipality responsible for the provision of the affected basic service is unable to deal with the effects of the disaster utilising own legislation/guidelines and resources Municipalities must fund a portion of the costs of the disaster response and relief from their own budget, if unable to do so, proof must be provided Funds may only be used in line with the approved implementation plan. Any amendments to the implementation plan must be supported and recommended by the PDMC and approved by the NDMC and copies of the approved amendments shared with National Treasury Funds from this grant must be utilised within six calendar months following the date of the transfer of the funds to the municipality A municipality may request through the PDMC, that the NDMC approve that an allocation be utilised more than six calendar months after the date of transfer. The approved amendments are to be shared with National Treasury The emergency procurement system provided for in Treasury Regulations should be invoked to ensure immediate response by the affected municipalities A copy of the contingency plan for the relevant hazard is to be submitted with the funding request
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated for classified disasters, based on reports from assessments conducted by the NDMC and PDMC and affected sectors for immediate disaster response and relief needs. This should include implementation of sections 56 and 57 of the Disaster Management Act, 2002 (Act 57 of 2002). Additionally, it must be established that there are immediate disaster relief needs that cannot be met by the municipality through the contingency arrangements already in place The Accounting Officer for the relevant organ of state must indicate in their application that the total funds required from the grant for disaster response and relief exceed the available resources and/or resources already allocated for disaster response and relief Funding may be released in tranches, with the first tranche being based on the rapid assessment and verification of the disaster relief needs. The next tranches will be released once proof is submitted that the first tranche has been fully spent or committed
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This grant provides funding for responding to and providing response and relief for unforeseeable and unavoidable disasters
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> No MDRG funds were transferred to municipalities

Municipal Disaster Relief Grant	
	<p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> No MDRG funds were transferred to municipalities
Projected life	<ul style="list-style-type: none"> This grant is expected to continue over the medium-term subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R359 million; 2022/23: R371 million and 2023/24: R373 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the National Disaster Management Centre</p> <ul style="list-style-type: none"> Advise and guide municipalities and PDMCs about the existence of the grant and how grant funding can be applied for and the criteria to qualify for the grant Verify the applications for funding as per the requirements of the Disaster Management Act and submit funding request to National Treasury for consideration within 14 days following the receipt of the assessment report and written funding request from the municipalities through the PDMCs and when all grant conditions have been met Confirm what support national sector departments are providing and ensure there is no duplication of support Notify the relevant municipality of a transfer at least two days before the transfer is made Notify the relevant PDMC together with the relevant sector departments, National Treasury and the relevant provincial treasury of a transfer and reason for transfer within five days of the transfer of funds to municipalities Provide National Treasury and the relevant provincial treasury with written notification of the transfer within 14 days of a transfer of this grant Provide expenditure reports to National Treasury in line with the 2021 Division of Revenue Act and the Public Finance Management Act (PFMA) within 20 days after the end of each month Provide a performance report to National Treasury in the disaster allocation monitoring template agreed to with the National Treasury within 45 days after the end of the quarter in which funds are spent, with invoices as annexures to the report Together with the relevant PDMC monitor the implementation of disaster response and relief projects
	<p>Responsibilities of the Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> Together with the affected municipalities and the relevant sector departments, conduct rapid assessments to verify the impact of the disaster within 14 days following the occurrence of the incident and compliance to all grant conditions Verify the applications for funding following the occurrence of the disaster as per the requirements of the Disaster Management Act Confirm what support provincial sector departments are providing and ensure there is no duplication of support Assist municipalities with requests for disaster funding and sign-off the submitted funding application by the municipality, and monitor projects to ensure that the funds are used for intended purposes and provide reports to the NDMC and relevant provincial treasury Coordinate, analyse and submit expenditure reports signed-off by the head of the PDMC on progress regarding the implementation of the projects to NDMC within 15 days after the end of each month in which funds are spent, with invoices as annexures to the reports Coordinate, analyse and submit performance reports signed-off by the head of the PDMC, which include evidence, on progress with implementation of the projects to the NDMC within 35 days after the end of the quarter in which funds are spent The PDMC should establish a project task team comprising of affected municipalities and sector departments Monitor the implementation of disaster funds and related projects
	<p>Responsibilities of the municipalities</p> <ul style="list-style-type: none"> Cooperate with the NDMC, relevant PDMC and provincial and national sector departments to conduct damage assessment and cost verification Submit disaster assessment reports and funding requests signed-off by the Accounting Officer to the PDMC within 14 days following the declaration and classification of a disaster Municipalities must invoke emergency procurement processes provided for within the Treasury Regulations when spending the funds allocated, to ensure immediate assistance to the affected areas and must provide proof that measures were put in place to mitigate the occurrence in the form of a contingency plan for the specific hazard Municipalities must implement all projects approved and ensure that the funds allocated are spent for their intended purposes Establish project task teams during the implementation of disaster projects at a municipal level Submit expenditure reports signed-off by the Accounting Officer which include evidence (such as Certificate of Payments) of implementation progress on the projects to the relevant PDMC within 10 days after the end of each month in which funds are spent Submit a performance report signed-off by the Accounting Officer which includes evidence of implementation progress on the projects to the PDMC within 30 days after the end of the quarter in which funds are spent
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Not applicable

Municipal Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> Subsidise the capital costs of providing basic services to poor households Subsidise the development of asset management plans for infrastructure servicing poor households
Grant purpose	<ul style="list-style-type: none"> To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities To provide specific funding for the development of asset management plans for infrastructure servicing the poor
Outcome statements	<ul style="list-style-type: none"> Improved access to basic services infrastructure for poor communities, through the use of labour-intensive construction methods where it is technically feasible Improved reliability of basic services infrastructure for poor communities
Outputs	<ul style="list-style-type: none"> Number of poor households impacted through the construction of new infrastructure and the upgrading and renewal of existing infrastructure for: <ul style="list-style-type: none"> basic water and sanitation services central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites sport and recreation facilities street and community lighting public facilities Number of kilometres of municipal roads developed, upgraded and maintained servicing the poor Number of specialised vehicles for waste management (as referenced in annexures A and B of the norms and standards for specialised waste vehicles) purchased for servicing the poor Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs Number of Infrastructure Asset Management Plans developed <p>Response to the COVID-19 pandemic</p> <ul style="list-style-type: none"> Amount spent by a municipality on urgent repairs and refurbishment of water and sanitation infrastructure to restore functionality Amount spent by a municipality for sanitisation of public transport facilities and other municipal public facilities that include temperature scanners, hand washing facilities, hand sanitisers (as per the standard determined by the Department of Health), personal protective equipment for municipal and public transport workers and provisions for physical distancing Number of municipal-owned facilities identified for quarantine sites that are repaired (limited to repairs to existing facilities, not modifications and operational costs)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses the Municipal Infrastructure Grant (MIG) registration form as agreed with sector departments, which includes: <ul style="list-style-type: none"> project title sector timeframes for implementation cost of the project LIC component of the project, with targets and processes to be used
Conditions	<ul style="list-style-type: none"> To receive the first tranche, municipalities must have followed the process for approval of 2021/22 projects and have confirmed by 30 April 2021 with the Department of Cooperative Governance (DCoG), their programme, project planning and implementation readiness in the form of a council approved implementation plan that includes cash flow projections Municipal allocations must be fully committed to registered projects prior to the year of implementation and be informed by the Integrated Development Plans (IDPs) and three-year capital plans which are aligned to the relevant One Plan of districts areas developed under the District Development Model MIG priorities set by municipalities (as stated in their MIG implementation plans) can only be changed in-year with other MIG registered projects, after municipal council approval and DCoG Projects not implemented within three years of approval by the relevant appraisal committee will be deregistered Stalled projects where MIG funds have already been spent and not completed should be prioritised for implementation before any new projects are considered for registration, provided the municipality is not fully committed for the MTEF period Stalled projects can only be deregistered on confirmation that they are functional and benefiting the intended beneficiaries as per the project registration and within approved itemized cost MIG must be allocated and transferred directly to a category B or C municipality that has the powers and functions for basic services referred to in section 84 of the Municipal Structures Act, to enable the municipality to provide basic municipal infrastructure to the poor, in line with their functions Municipalities must prioritise MIG funds for infrastructure that services eligible beneficiaries, such as: <ul style="list-style-type: none"> basic residential infrastructure for the poor for water, sanitation, roads and stormwater, waste management, street lighting and community facilities new or upgrading of municipal bulk infrastructure to support existing areas, the formalisation of informal settlements and to support economic development

Municipal Infrastructure Grant	
	<ul style="list-style-type: none"> ○ renewal of eligible infrastructure servicing the poor subject to the confirmation by the relevant sector department of the state of infrastructure and a commitment from the municipality of how on-going operations and maintenance of the renewed infrastructure will be funded and performed ○ maintenance of roads infrastructure mainly servicing the poor ○ specialised waste management vehicles servicing the poor ● Municipalities must spend at least 60 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred ● By 31 December 2021, municipalities must spend: <ul style="list-style-type: none"> ○ at least 40 per cent of their total MIG allocation, where allocations are equal or less than R100 million ○ at least 45 per cent of their total MIG allocation, where allocations are more than R100 million ● Municipalities must comply with sector norms, standards and legislation as confirmed by sectors during the MIG project registration processes ● Local municipalities investing in roads infrastructure must utilise data from the Rural Road Asset Management System (RRAMS) where available, to identify and prioritise their investment on roads projects ● MIG funds can be used for road maintenance only if projects are planned and prioritised using RRAMS data ● Ring-fenced sport infrastructure allocation: <ul style="list-style-type: none"> ○ municipalities that have allocations gazetted as part of the ring-fenced allocation for specific sport infrastructure projects may only spend these allocations on the projects identified by the Department of Sports, Arts and Culture (DSAC) ○ initial transfers of funds from the ring-fenced sport infrastructure allocation to identified projects will be subject to signing of a memorandum of understanding between DSAC and the beneficiary municipalities ○ subsequent transfers for projects funded through the ring-fenced amount will also be subject to approval by DSAC ● Sport infrastructure as part of the P-component: <ul style="list-style-type: none"> ○ municipalities must submit technical reports for spending 33 per cent of their P-component allocation on sport and recreation infrastructure projects ○ All sport infrastructure plans and technical reports must be submitted as part of the normal MIG planning process but will be reviewed and approved by DSAC to ensure they comply with norms and standards before construction can begin ● Municipalities must ensure compliance to EPWP infrastructure guidelines in aligning their projects and reporting the work opportunities created on the EPWP reporting system ● Municipalities must ensure that a minimum of 20 per cent of their budget applies LIC methods and complies to EPWP infrastructure guidelines as part of the feasibility phase of the project ● Municipalities using MIG funding to purchase specialised vehicles for waste management must complete a Technical Assessment Report (TAR) which must comply with the norms and standards for specialised waste management vehicles. The TAR must demonstrate that MIG funds will only be used for the expansion of waste management services to poor households not previously serviced. The purchase will only be done through the National Treasury's transversal contract RT57 and the TAR must include a recommendation from the Provincial Department of Environment, Forestry and Fisheries (DEFF) and a final approval from the National DEFF before being appraised for registration. Vehicles may not be purchased with MIG funds for other purposes ● A municipality must consider procuring goods and services for water and sanitation projects through nationally set up framework contracts, where available, before utilising municipal procurement processes ● Municipalities must submit monthly and quarterly reports in the prescribed national template and signed-off by the Municipal Manager or delegated official ● Municipalities must utilise the Municipal Infrastructure Grant Management Information System (MIG-MIS) to facilitate programme and project management and reporting ● The cost for the Project Management Unit (PMU) does not exceed 5 per cent of a municipality's MIG allocation and may be used for programme/project management costs related to all schedule 5, part B grant-funded projects and only if a business plan for the PMU is approved by 30 April 2021. If these funds are not committed for this purpose or spent for this purpose they must revert back for MIG capital projects ● At least 95 per cent of municipalities' allocation must be used on eligible MIG funded projects, including maintenance on roads mainly servicing the poor ● A maximum of 5 per cent of a municipality's allocation may, subject to submitting a business plan for approval by DCoG, be used to fund activities related to the development of an Infrastructure Asset Management Plan. The business plan must be: <ul style="list-style-type: none"> ○ recommended by the relevant sector department ○ accompanied by an Excel copy of the municipality's audited asset register ○ submitted by 31 March 2021 ● To respond to the COVID-19 pandemic: <ul style="list-style-type: none"> ○ municipalities must prioritise the provision of water and sanitation to communities that do not currently have access to water services ○ municipalities that have non-compliance pre-directives or directives with the Department of Water and Sanitation may spend up to 10 per cent of their allocations for the urgent repair and refurbishment of water and sanitation infrastructure to restore functionality ○ non-water services authorities may request approval from the transferring officer to spend on water and sanitation projects, on presentation of the signed service level agreements with the relevant water services authorities

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	<ul style="list-style-type: none"> ○ municipalities may use up to 10 per cent of their allocations for the sanitisation of public transport facilities and other municipal public facilities including the provision of temperature scanners, hand washing facilities, hand sanitisers (as per the standard determined by the Department of Health), personal protective equipment for municipal and public transport workers and provisions for physical distancing; and to repair municipal-owned infrastructure identified for quarantine sites (limited to repairs to existing facilities, not modifications and operational costs) ○ municipalities must submit a separate business plan through their PMU, for this spending under the Special Municipal Infrastructure Fund (SMIF) option in the MIG-MIS by 30 July 2021. Municipalities must report on how these funds are spent through the MIG-MIS. The Department of Cooperative Governance may approve that amounts above the 10 per cent threshold be used for these activities based on the municipality's motivation and its progress on committed projects ● Rustenburg and George local municipalities should not use the sanitisation provision for the sanitisation of public transport facilities as they are funded for this in the Public Transport Network Grant ● Municipalities must report on the use of funds for the COVID-19 response in line with the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> ● Part 5 of Annexure W1 to the 2021 Division of Revenue Bill sets out the MIG formula in detail, showing how the formula incorporates backlog and poverty data ● The funds ring-fenced for sport infrastructure are allocated based on estimated costs of projects that: <ul style="list-style-type: none"> ○ fill identified gaps and are confirmed with the provincial departments responsible for sport and the municipalities ○ align to the National Sport and Recreation Plan, National Sport Facilities Plan and transformation imperatives ○ align to priority sport codes
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> ● The MIG programme was allocated R billion in the 2019/20 financial year. The full amount was transferred and 92 per cent of this was spent <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> ● Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for: <ul style="list-style-type: none"> ○ 141 067 households provided with basic water and 112 422 households provided with sanitation services ○ 45 715 households provided with street and community lighting ● Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure): <ul style="list-style-type: none"> ○ 23 central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites developed ○ 115 sport and recreation facilities developed ○ 127 public facilities developed ○ 1 431 kilometres of municipal roads developed ● 161 116 FTEs created using the EPWP guidelines for the above outputs
Projected life	<ul style="list-style-type: none"> ● Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> ● 2021/22: R15.6 billion; 2022/23: R16.9 billion and R2023/24: R17.6 billion
Payment schedule	<ul style="list-style-type: none"> ● Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national departments</p> <ul style="list-style-type: none"> ● DCoG administers the MIG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must: <ul style="list-style-type: none"> ○ report to sector departments on outputs ○ monitor expenditure and non-financial performance in collaboration with provincial DCoGs ○ coordinate overall programme implementation ○ provide support to municipalities in the utilisation of the MIG-MIS ○ share all reports on COVID-19 expenditure with the National Disaster Management Centre and report separately on COVID-19 expenditure in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act ● The Municipal Infrastructure Support Agent (MISA) must: <ul style="list-style-type: none"> ○ provide technical support and advice to municipalities that have been identified collaboratively with DCoG and its provincial counterparts as needing assistance ○ on behalf of and in collaboration with national and provincial DCoG's, conduct detailed municipal assessments of the municipalities identified for assistance, including investigative lifecycle assessments of MIG projects, municipal MIG and sector performance, and municipal project management functions, to identify detailed reasons for challenges affecting the implementation of MIG ○ report all findings and recommendations for improvement to the identified municipalities, national and provincial DCOGs ○ assist the municipal manager of each identified municipality, in collaboration with appropriate structures, including sector departments, to implement recommendations identified by MISA, for improvement, and supply formal progress reports ○ recommendations may include improvements to municipal processes for planning, project prioritisation and selection. Recommendations may also include detailed planning, scoping, designing, scheduling, costing and procurement implementation

Municipal Infrastructure Grant	
	<ul style="list-style-type: none"> ○ provide and facilitate assistance, technical advice and expertise to identified municipalities for the use of alternative technology and good practices for MIG projects, including for feasibility studies, operations and maintenance and integrated infrastructure asset management ○ partake in the assessment of the business plans for the asset management planning provision and make recommendations to the transferring officer ● In addition to their sector-specific responsibilities, each national sector department will be expected to: <ul style="list-style-type: none"> ○ provide information on service delivery priorities per municipality as expressed within sectoral plans and municipal IDPs ○ fulfil a sectoral monitoring and guidance role on relevant sectoral outputs ○ evaluate reports and provide final recommendations to the municipality by 30 September 2021 ○ confirm adherence to sector norms and standards for MIG funded projects through the MIG registration process, which includes participation in the district appraisal processes ○ confirm the current state of maintenance where municipalities have applied for funding of renewal projects ○ advise which sphere (provincial or national - even if different across provinces) should sign-off MIG projects and participate in MIG workflow processes ○ sign-off on project close-out reports, thereby acknowledging the projects have been completed as intended ● Department of Water and Sanitation must: <ul style="list-style-type: none"> ○ support and monitor municipalities to prepare and implement water services development plans ○ ensure alignment between the MIG programme, Regional Bulk Infrastructure Grant and the Water Services Infrastructure Grant ○ for the MIG funding stream, monitor and oversee progress on water and sanitation projects implemented through the MIG ○ support the process of the development of water and sanitation infrastructure asset management plans and the updating and verification of asset registers ● Department of Environment, Forestry and Fisheries: <ul style="list-style-type: none"> ○ must support municipalities with planning and implementation of solid waste management projects and monitor their performance and compliance with conditions applicable to this sector ○ the Provincial DEFFs will be responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles and national DEFF will provide final approval before submitting projects for registration in the MIG appraisal process ○ support the process of the development of waste management infrastructure asset management plans and the updating and verification of asset registers ● Department of Mineral Resources and Energy must: <ul style="list-style-type: none"> ○ support municipalities with planning and implementation of public lighting and monitor municipalities' performance and compliance with conditions applicable to this sector ○ support the process of the development of electricity community infrastructure asset management plans and the updating and verification of asset registers ● Department of Transport must support municipalities with planning and implementation of municipal roads projects in terms of the RRAMS data and monitor municipalities' performance and compliance with conditions applicable to this sector ● Department of Sports, Arts and Culture must: <ul style="list-style-type: none"> ○ identify projects with targeted municipalities to be allocated funds outside of the MIG formula ○ support municipalities with planning and implementation of municipal sport and recreation facilities and monitor municipalities' performance and compliance with conditions applicable to this sector ○ review, approve and sign-off all MIG projects before recommendation by the provincial sports departments to the MIG appraisal committee ○ support the process of the development of sport infrastructure asset management plans and the updating and verification of asset registers ● Department of Public Works and Infrastructure must: <ul style="list-style-type: none"> ○ monitor compliance with the EPWP infrastructure guidelines and advise municipalities on the use of labour intensive processes, systems, techniques and approaches ○ monitor the number of work opportunities and FTEs created on MIG funded projects that contribute towards EPWP and assist municipalities in meeting their set targets ○ ensure that municipalities register their projects on the EPWP reporting system and monitor compliance with norms and standards applicable to this sector
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> ● Coordinate technical support to municipalities ● Monitor performance of municipal Programme/Project Management Units and recommend relevant sanctions for under-performance to DCoG ● Provide assistance to municipalities in managing municipal infrastructure projects ● Provide support to municipalities in the utilisation of the MIG-MIS ● Provide support to municipalities with the development of Infrastructure Asset Management Plans ● Monitor and reconcile reported expenditure with proof of payment signed-off by the municipality ● Monitor the accuracy of project registration forms and coordinate monthly, quarterly and annual reports from municipalities and forward them to DCoG ● Coordinate district appraisal and progress committee meetings ensuring that DCoG and relevant sector departments are invited

Municipal Infrastructure Grant	
	<ul style="list-style-type: none"> • Issue registration letters for projects approved by the district appraisal committees to municipalities, copying DCoG • Monitor project implementation in collaboration with sectors coordinate project spot checks with relevant stakeholders and compile relevant spot check reports • Monitor the capturing of site visit reports by municipalities on the MIG-MIS • Monitor compliance with provincial legislation and alignment to provincial growth and development strategies through project registration
	<p>Responsibilities of provincial sector departments</p> <ul style="list-style-type: none"> • Each provincial sector department must fulfil a sectoral monitoring and guidance role on relevant sectoral outputs • Provide technical advice as required by a municipality through the feasibility, planning, design, tender and construction phases of a MIG project • Provide support to municipalities with the development of Infrastructure Asset Management Plans • Participate in district appraisal and progress committee meetings • Evaluate and provide recommendations on sector technical reports before projects are appraised • Provincial departments of environment, forestry and fisheries are responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles and the national Department of Environment, Forestry and Fisheries must provide final approval before submitting projects for registration in the MIG appraisal process
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and this must be informed by the IDP and three-year capital programme • Municipalities must certify compliance to the provision of DoRA after the schedule of transfers has been communicated by DCOG and before the first transfer is made to the municipality by DCoG • Municipalities must have appropriate capacity to implement the MIG, this must be supported by the human resource plan of the municipality • Municipalities must monitor each project and ensure that MIG funds are spent for the intended purpose as registered on the MIG-MIS • The municipality must report monthly, quarterly and annually in the prescribed formats and timelines, reports must be signed-off by the Municipal Manager or the delegated official and submitted to national government via the provincial department responsible for local government • Utilise the MIG-MIS to inform the content of the reports mentioned above • Municipalities must capture project site visit reports as part of the portfolio of evidence to support claims
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Municipalities must submit all technical reports to the sector departments responsible for water, sanitation, solid waste, sport and recreation, roads and transport by 30 July 2021 for all projects to be implemented in 2022/23 • The responsible sector department must evaluate reports and provide final recommendations to the municipality by 30 September 2021 • When projects are registered for 2022/23, the municipality must identify how each MIG infrastructure project is aligned to and/or supports their local economic development strategy • The municipality must submit all project registration forms by 1 October 2021, for the projects to be implemented in 2022/23, to the provincial department responsible for local government • The provincial departments must provide final recommendations to municipalities by 30 November 2021 • Municipalities must submit to DCoG by 28 January 2022, detailed project implementation plans for all the projects to be implemented in the 2022/23 and 2023/24 financial years • Such plans should include timelines regarding project designs, initiation of procurement, and environmental impact assessment (EIA) and/or relevant permit/license approvals in the prescribed format • Municipalities must submit updated implementation plans (as described above) by 30 April 2022, justifying any changes from the 28 January 2022 submission • MISA must sign-off on technical and or business plan reports [before submission to sector departments or Acquisition Committees], thereby acknowledging the appropriate use of alternative technology and good practices for MIG projects, including for feasibility studies, labour intensive construction, operations and maintenance and integrated infrastructure asset management

Municipal Systems Improvement Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> An efficient and developmental sphere of government capable of delivering services to local communities
Grant purpose	<ul style="list-style-type: none"> To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation
Outcome statements	<ul style="list-style-type: none"> A responsive, accountable, effective and efficient local government
Outputs	<ul style="list-style-type: none"> Support municipalities through the implementation of the Integrated Urban Development Framework (IUDF) Support municipalities on municipal tariff data management and related matters Support municipalities in the improvement of their data management, records management and Information and Communications Technology (ICT) infrastructure Support municipalities on the smart cities' framework Support municipalities in the rollout of staffing regulations and competency frameworks Support municipalities in the preparation of an institutional recovery plan and the implementation thereof, where appropriate (including assisting municipalities to review and prepare: organograms, policies and by-laws) Support municipalities to implement the Municipal Property Rates Act (MPRA) Conduct impact assessments of municipalities supported through the rollout and implementation of the simplified revenue plan project Support municipalities on governance and institutional matters through the District Development Model (DDM) approach, with District Hubs as central points of integration and coordination of support and capacity building interventions including amongst others, support on the following outputs: <ul style="list-style-type: none"> development of comprehensive institutional diagnostic analysis/assessments to determine skills, systems, performance, institutional gaps and main constraints impeding effectiveness and sound municipal performance development of institutional improvement plans guiding all capacity building grants and municipal support initiative
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses a support plan. The support plan has an appendix or annexure which details: <ul style="list-style-type: none"> roles and responsibilities outcome indicators output indicators key activities inputs details of how the systems and practices developed will be sustained over the long-term
Conditions	<ul style="list-style-type: none"> The Department of Cooperative Governance and the benefitting municipality must enter into a support plan with an annexure that must include details of the activities and deliverables being funded, responsibilities of each stakeholder, protocols for engagements and feedback, the budget for each activity, and timeframes for implementation Funds from this grant may be spent on building the capacity of municipalities with respect to the purpose and outputs listed for this grant ICT infrastructure bought with this grant must be compatible with the minimum standards for the municipal Standard Chart of Accounts (mSCOA) Technical support to municipalities must include the transfer of skills to municipal officials
Allocation criteria	<ul style="list-style-type: none"> Priority is given to the local municipalities in the 21 Water Service Authority (WSA) districts and these districts in 2021/22 Priority is given to municipalities with challenges/shortcomings in processes, procedures and systems to effectively implement the Municipal Systems Act and related local government legislation including municipalities with governance and institutional challenges Municipalities identified for support in 2020/21 on municipal tariff data management and related matters, improvement of their data management, records management and ICT infrastructure and training on staffing regulations and competency frameworks are targeted in 2021/22 Other outputs may be funded through reallocations in-year and over the MTEF Intermediate cities are targeted for programmes in support of the Integrated Urban Development Framework Unallocated funds in 2022/23 and 2023/24 will be allocated to projects during 2021, including to some municipalities not reached in 2021/22 Funds may be reallocated if the support plan is not signed by the municipal manager(s)
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The grant is aimed at building the capacity of targeted municipalities to implement sound institutional and governance systems required in terms of the Municipal Systems Act and related local government legislation
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> Of the R121 million allocated of which R85 million, 76 per cent was spent

Municipal Systems Improvement Grant	
	<p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 14 Intermediate Cities Municipalities (ICMs) were identified for support. The allocation on the IUDF was spent on the development of CEFs to 7 intermediate cities, specialist expert support on the IUDF and the District Development Model (DDM) in ICMs and the Department and the management fee for the Development Bank of Southern Africa (DBSA) • A municipal specific revenue plan has been implemented in 42 municipalities. Detailed close out reports on each of the 42 municipalities supported was also developed and approved. The 42 municipalities were supported on various aspects of the municipal revenue value chain including data management and analysis, meter auditing, billing, revenue management and property rates management, debt management and credit control, indigent management and registers and policies and by-laws
Projected life	<ul style="list-style-type: none"> • Grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R135 million; 2022/23: R140 million and 2023/24: R147 million
Payment schedule	<ul style="list-style-type: none"> • Schedule 6 grant payments to the service providers are made in accordance with the signed service level agreement, implementation plan and project milestones or deliverables
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Agree and sign a memorandum of understanding with participating municipalities • Management, monitoring and reporting of the programme • Coordinate with the National Treasury to ensure that the capacity building activities of the two departments are complimentary • Participate in the review of the municipal capacity support system during 2021/22
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Agree and sign a memorandum of understanding with the transferring officer • Identify municipal officials that will be recipients of skills transfer • Ensure that municipal officials participate actively in all activities funded through this grant • Ensure systems and practices developed through this grant are sustained as part of the operations of the municipality • Municipalities must submit a detailed report upon the completion of the project, in the format prescribed
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Targeted municipalities must sign a support plan in support agreeing to receive support through this programme

MINERAL RESOURCES AND ENERGY GRANTS

Energy Efficiency and Demand Side Management Grant	
Transferring department	<ul style="list-style-type: none"> Mineral Resources and Energy (Vote 34)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To reduce electricity consumption by promoting energy efficient practices
Grant purpose	<ul style="list-style-type: none"> To provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency
Outcome statements	<ul style="list-style-type: none"> Reduced demand for electricity Increased awareness of energy saving Skills development in energy efficiency Energy management capability enhanced
Outputs	<ul style="list-style-type: none"> Amount of electricity saved in kilowatt hours (KWh) Number of energy efficient street lights installed Number of energy efficient traffic lights installed Number of buildings retrofitted Number of units of water services infrastructure retrofitted
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Projected energy savings Key activities Inputs
Conditions	<ul style="list-style-type: none"> Funds can only be used to implement electricity-saving projects in municipal infrastructure The focus for implementation of energy efficiency interventions is limited to municipal buildings, streetlights, traffic lights, wastewater treatment works and pump stations Municipalities must determine a detailed and extended electricity consumption baseline in line with South African Standards (SANS 5002 and SANS 50010) Municipalities must respond to the request for proposals issued by the Department of Mineral Resources and Energy (DMRE) in the format provided Municipalities must commit to energy savings (in KWh) to be achieved through the retrofits to the DMRE A performance agreement with specific conditions shall be entered into between the municipality and the DMRE The municipality shall prepare a project work plan and business plan in the templates provided by the DMRE The municipality shall procure the streetlight luminaires as per the standardised technical specifications developed by the transferring officer A municipality may apply to the transferring officer, by no later than 30 August 2021 to utilise a maximum of 15 per cent of the total annual allocation to undertake specified planning activities to embed the Vertically Nationally Appropriated Mitigation Action (V-NAMA) project, provided that these conform to the list of eligible activities identified by the transferring officer, including: <ul style="list-style-type: none"> investment pipeline development (excluding direct project preparation) development of infrastructure financing strategies and instruments utilisation of a minimum of 50 per cent capital expenditure as co-funding for the Vertically Nationally Appropriated Mitigation Action projects
Allocation criteria	<ul style="list-style-type: none"> The following criteria are used for selecting municipalities to receive allocations from the grant: <ul style="list-style-type: none"> municipalities that have responded to the request for proposals as issued by the DMRE municipalities with higher electricity consumption and higher electricity saving potential municipalities with clearly defined objectives on energy efficiency improvements proposals that use proven energy efficient technologies with low pay-back periods municipalities that are participating in the Vertically Nationally Appropriated Mitigation Action Support Project (V-NAMA) and SA-EU General Support Programme municipalities that show readiness and capacity to implement EEDSM projects good past performance if a municipality has previously participated in the programme quality, viability and financial feasibility of proposed projects
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This is a specific conditional transfer in support of the EEDSM programme
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> R215 million was allocated and transferred to participating municipalities <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> A total electricity saving of 19.8 MWh per annum was reported by municipalities against the total projected electricity consumption baseline of 22,44 MWh per annum
Projected life	<ul style="list-style-type: none"> The grant will continue until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R221 million; 2022/23: R231 million and 2023/24: R232 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by the National Treasury

Energy Efficiency and Demand Side Management Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Monitoring and evaluation of the EEDSM programme including measurement and verification of energy savings • Make available to municipalities, the lighting technology technical specifications guideline and support them through capacity building workshops on best practices and pricing for EEDSM projects • Communicate to municipalities the process and requirements for obtaining EEDSM grant funds in 2022/23 • Develop a fair and open process to accredit and establish a panel of competent service providers with technical expertise and suppliers of energy efficient technology to support municipalities during the implementation of EEDSM projects • Provide technical support to municipalities participating in the Vertically Nationally Appropriated Mitigation Action Support Project of South Africa <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Submit proposals as per the request for proposals issued by DMRE • Ensure that proposals are in the format and template provided by DMRE • Implement the EEDSM programme as per the framework and contractual agreement • In the implementation of EEDSM projects, use service providers and/or energy efficient technology suppliers accredited by DMRE • Submit to the DMRE detailed energy consumption baseline data and a business plan signed by the municipal manager before the start of the 2021/22 municipal financial year • Submit to the DMRE the monthly and quarterly reports approved by the municipal manager • In a case where a municipality delegates the implementation of the programme to its entity (i.e. Johannesburg City Power, Mangaung CENTLEC, etc.) such an entity shall enter into an implementation contract with the municipality for the purposes of reporting and accountability. A copy of this implementation contract must be shared with DMRE
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Proposals must be submitted by 30 July 2021 and shall be evaluated against the criteria set out in this framework and the request for proposals issued by DMRE

Integrated National Electrification Programme (Eskom) Grant	
Transferring department	<ul style="list-style-type: none"> Mineral Resources and Energy (Vote 34)
Grant schedule	<ul style="list-style-type: none"> Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> To reduce electrification backlogs through funding of household connections and bulk infrastructure (substations and medium voltage lines) to ensure constant supply of electricity
Grant purpose	<ul style="list-style-type: none"> To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure in Eskom licenced areas
Outcome statements	<ul style="list-style-type: none"> A reduction in household electrification backlogs Universal access to electricity and improvement in distribution infrastructure reliability
Outputs	<ul style="list-style-type: none"> The number of household connections per annum The number of substations completed Kilometres of medium voltage lines completed Implementation of labour intensive methods on electrification projects and the number of jobs created
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Inputs Output indicators Key activities
Conditions	<ul style="list-style-type: none"> Plans need to have undergone pre-engineering and project feasibility and be approved by the Director-General of the Department of Mineral Resources and Energy (DMRE) prior to implementation Projects must be prioritised by municipalities in their Integrated Development Plans (IDPs) before being approved for INEP (Eskom) Grant funding Eskom must submit to DMRE letters signed by municipal accounting officers to demonstrate that the municipalities are in agreement with the projects to be undertaken Eskom to comply with the DMRE's requirements to provide approved bulk projects in their business plans All assets constructed through this grant must be ring-fenced on Eskom's asset register as government assets. Eskom is responsible for the operations and maintenance of these assets Eskom must 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
Allocation criteria	<ul style="list-style-type: none"> Allocations to Eskom are made on behalf of municipalities based on applications from Eskom for non-licensed municipalities according to the following criteria: <ul style="list-style-type: none"> high backlogs rural bias integration with other programmes such as 44 priority district municipalities, the National Development Plan and other infrastructure programmes like catalytic projects and mining towns the cost of a project is within benchmarked norms and standards the project is aligned with the IDP for a particular municipality
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This is a specific conditional capital transfer for electrification of households and bulk infrastructure
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> The grant was allocated R3.1 billion and the entire amount was transferred to Eskom, of which R2 billion (65 per cent) was spent by the end of the financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 162 322 connections were completed at the end of the financial year (includes connections funded from roll-overs)
Projected life	<ul style="list-style-type: none"> The grant will continue until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R2.8 billion; 2022/23: R3.6 billion and 2023/24: R3.8 billion
Payment schedule	<ul style="list-style-type: none"> Payments are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Review and approve Eskom's outputs and targets Continuously monitor implementation Provide central coordination for bulk infrastructure Approve submissions for refurbishment of critical infrastructure <p>Responsibilities of Eskom</p> <ul style="list-style-type: none"> The maximum size of supply is 2.4 kVA, after diversity maximum demand, 20 Amp per household connection, in line with the Suite of Supply Policy (2018) Report to the DMRE and the National Treasury on monthly and quarterly expenditure for the grant Report accurately and timeously on EPWP information
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Eskom and the DMRE must ensure that all planned projects are in line with municipal IDPs and priority lists Eskom and the DMRE must ensure that planned projects are feasible and have gone through the pre-engineering process by 18 October 2021

Integrated National Electrification Programme (Municipal) Grant	
Transferring department	<ul style="list-style-type: none"> Mineral Resources and Energy (Vote 34)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To reduce electrification backlogs through funding of household connections and bulk infrastructure (substations and medium voltage lines) to ensure constant supply of electricity
Grant purpose	<ul style="list-style-type: none"> To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure
Outcome statements	<ul style="list-style-type: none"> A reduction in household electrification backlogs Universal access to electricity
Outputs	<ul style="list-style-type: none"> The number of connections to households per annum The number of substations completed Kilometres of medium voltage lines completed Implementation of labour-intensive methods on electrification projects and the number of jobs created
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Key activities Inputs (resources)
Conditions	<ul style="list-style-type: none"> Municipalities must register electrification business plans for bulk infrastructure and with INEP and abide by the advice or guidance of the Department of Mineral Resources and Energy (DMRE) regarding the central planning and co-ordination for such bulk infrastructure Municipalities must provide the DMRE with a detailed project implementation plan during the first quarter of the municipal financial year (by the end of September 2021) Bulk infrastructure can only be funded for infrastructure serving poor households (where infrastructure serves tariff-funded areas and poor households, costs should be shared) INEP funds may be used for the refurbishment of critical infrastructure, only upon approval of a business plan submitted to the DMRE Municipalities must utilise their own funding if the subsidy is insufficient Projects should be implemented as per the contract agreed between the DMRE and the municipality, any deviations from the contract must be communicated to the DMRE for approval No contracts will be signed unless all the annexures are submitted No reimbursement will be made for projects that have been implemented without the prior approval by the DMRE Municipalities must spend at least 50 per cent of their previous transfer and comply with reporting provisions before the second and subsequent transfers are made The maximum size of supply is 2.4 kVA after diversity maximum demand, standard installation of 20 Amp per household connection, in line with the Suite of Supply Policy (2018) Municipalities may utilise up to R1.5 million of their total allocation for service fees (pre-engineering) if approved by the DMRE in their business plan Municipalities must adhere to labour intensive construction methods in terms of the Expanded Public Works Programme (EPWP) guidelines for activities such as trenching and the planting of poles, amongst others Municipalities creating assets under the Eskom area of supply should enter into a Service Level Agreement with respect to the operations and maintenance of the assets
Allocation criteria	<ul style="list-style-type: none"> Allocations are based on an assessment of applications from local municipalities based on: <ul style="list-style-type: none"> high backlogs rural bias number of planned households per project past performance integration with other programmes such as the district development model, the National Development Plan, catalytic projects, and mining towns the financial, technical and staff capabilities to distribute electricity and expand and maintain networks consultation with communities through the Integrated Development Plan (IDP) process ensuring that universal access objectives are fast-tracked connecting informal settlements where service delivery has been prioritised new and upgrading of bulk infrastructure projects that support future electrification needs, and for refurbishment projects, where distribution network reliability adversely impacts economic activity and cannot sustain current electrification
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This is a specific conditional capital transfer for electrification of households
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> R1.8 billion was allocated and transferred to municipalities <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 47 234 households were connected including connections funded from roll-overs
Projected life	<ul style="list-style-type: none"> Grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R2 billion; 2022/23: R2.1 billion and 2023/24: R2.2 billion
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury

Integrated National Electrification Programme (Municipal) Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Agree with municipalities on outputs and targets • Continuously monitor implementation and provide support to municipalities • Verify reports from municipalities • Ensure that the payment schedule is aligned to the timelines for projected expenditure on each project <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Ensure that projects are implemented in line with what is reflected in the IDP of the municipality • Report accurately and timeously on the management of this grant and include invoices and EPWP information on their monthly reports, when reporting to the DMRE • Appoint service providers during the first quarter of the municipality financial year (July-September 2021) to implement their projects • Maintain and operate electricity infrastructure in line with licence conditions
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Application forms are sent to municipalities and the evaluation of all applications and business plan proposals received from municipalities is completed by 18 October 2021

HUMAN SETTLEMENTS GRANTS

Informal Settlements Upgrading Partnership Grant: Municipalities	
Transferring department	<ul style="list-style-type: none"> • Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> • The creation of sustainable and integrated human settlements that enable improved quality of household life
Grant purpose	<ul style="list-style-type: none"> • To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to upgrading informal settlements
Outcome statements	<ul style="list-style-type: none"> • Promote integrated sustainable urban settlements and improved quality living environment as per the National Housing Code 2009 which includes tenure security, health and security as well as empowerment
Outputs	<ul style="list-style-type: none"> • The following outputs should be funded by the grant to support the improvement of the overall built environment: <ul style="list-style-type: none"> ○ programmatic municipality-wide informal settlements upgrading strategy ○ number of approved individual informal settlements upgrading plans utilising the National Upgrading Support Programme ○ number of Sustainable Livelihoods Plans developed ○ number of social compacts or agreements concluded with communities outlining their role in the upgrading process ○ number of informal settlements designated for upgrading in terms of the municipal Spatial Development Framework and Spatial Planning and Land Use Management Act and by-laws enacted in this regard ○ number of approved upgrading plans implemented ○ number of households provided with secure tenure ○ number of households provided with individual municipal engineering services (water services, sanitation solutions and electricity – grid and non-grid) ○ number of informal settlements provided with interim and permanent municipal engineering services (public lighting, roads, storm water, refuse removal and bulk connections for water, sanitation and electricity) ○ hectares of land acquired for relocation of Category B2 and C settlements (categories in terms of NUSP methodology) ○ hectares of land acquired for in situ upgrading for Category B1 settlements ○ number of in situ individually serviced sites developed
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant requires municipalities to use the human settlements chapter of their IDPs to prioritise informal settlements for upgrading in 2021/22 • Municipalities must submit an Informal Settlement Upgrading Plan for each settlement to be upgraded, prepared in terms of National Upgrading Support Programme, which includes: <ul style="list-style-type: none"> ○ project description ○ settlement name and GIS coordinates ○ project institutional arrangements ○ sustainable livelihood implementation plan ○ outputs and targets for services to be delivered ○ cash flow projections (payment schedule) ○ details of support plan ○ risk management plan ○ prioritisation certificate issued by the MEC in consultation with relevant Mayors • For those settlements where upgrading plans have not yet been completed, an interim plan with clear deliverables in terms of the UISP phases contained in the Housing Code must be submitted
Conditions	<ul style="list-style-type: none"> • Funds should be utilised as per the Upgrading of Informal Settlements Programme as defined in the Housing Code • The transfer of the first tranche funds is conditional upon the national Department of Human Settlements (DHS) approving the Informal Settlements Upgrading Plans • The flow of the second instalment will be conditional upon the: <ul style="list-style-type: none"> ○ submission of the first quarter report, in line with the requirements of MFMA circular 88 signed-off by the accounting officer of the municipality ○ submission of the report with financial and non-financial information aligned to the approved upgrading plans • The flow of the third instalment will be conditional upon submission of second quarter (both financial and non-financial) performance information, in line with the requirements of MFMA circular 88 • Municipalities should only implement projects in the approved upgrading plans and any deviation from the approved upgrading plans should be sought from the DHS • Where there are no upgrading plans and spending is approved in terms of an interim plan, funding will only be transferred to a metro provided that confirmation is provided to the national department that individual upgrading plans are being developed for these projects and will be completed by the end of 2021/22 • Municipalities should ensure alignment between the infrastructure grants (provision of bulk) and the ISUPG

Informal Settlements Upgrading Partnership Grant: Municipalities	
	<ul style="list-style-type: none"> The payment schedules submitted by municipalities should be derived from the cash flows contained in the approved Upgrading plans A social compact or any other community participation agreement must be concluded as part of each individual informal settlement upgrading plan. A maximum of three per cent of the project cost may be used for community/ social facilitation The transfer of the first tranche of funds is conditional upon approval by the DHS of municipal business plan which is consistent with the provisions of the Housing Act, 2021 Division of Revenue Act and in compliance with the National Housing Code Municipalities must report quarterly on projects funded, in line with the requirements of the Municipal Finance Management Act (MFMA) circular 88. Reporting must include financial and non-financial performance on progress against UISP plans Municipalities are required to submit monthly financial reports within 10 working days after the end of each month indicating reasons for deviations and remedial actions
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated to all metropolitan municipalities These funds are determined through the USDG allocation formula
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This is a conditional grant with a specific purpose to provide for the upgrading of informal settlements
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> New grant <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> New grant
Projected life	<ul style="list-style-type: none"> This grant will continue until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R3.9 billion; 2022/23: R4.2 billion and 2023/24: R4.4 billion
Payment schedule	<ul style="list-style-type: none"> Transfers will be made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Maintain the policy and programme and assist with interpretation Develop a reporting template for municipalities on UISP outputs and publish it by 28 May 2021 Monitor and evaluate municipal financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the UISP Provide implementation assistance support to municipalities as may be required Undertake structured and other visits to municipalities as is necessary Facilitate structured intergovernmental forums for regular interaction with municipalities Submit a report on the status of informal settlements and their categorisation (in terms of the National Upgrading Support Programme's methodology) to National Treasury by 30 July 2021 Identify lessons from the preparation and implementation of this window and use these to inform the design of the proposed new grant for informal settlement upgrading The transferring officer should design and distribute a template to be signed by a Municipal Manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Initiate, plan and formulate applications for projects relating to the upgrading of informal settlements, which in the case of municipalities that are not accredited, must be in collaboration with the relevant provincial department Request assistance from the provincial department on any of the matters concerned if the municipality lacks the capacity, resources or expertise Submit informal settlement upgrading plans by 28 May 2021 Implement approved projects in accordance with UISP plans approved by the national department Fast-track the planning approval processes for informal settlements upgrading projects Assume ownership of the engineering services installed Manage, operate and maintain settlement areas developed under this programme Coordinate and facilitate the provision of bulk and connector engineering services (including through funding from the main USDG) Submit a report on the status of informal settlements in their municipal area and their categorisation (in terms of the National Upgrading Support Programme's methodology) to DHS by 28 May 2021 Identify lessons from the implementation of this window and share these with DHS Municipalities should submit a signed letter by a Municipal Manager or a delegated person, as an attachment to the monthly and quarterly reports
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Municipalities must prepare a municipality-wide Informal Settlement Upgrading Strategy that sets out the city's approach to informal settlement upgrading and how settlements are categorised and will be prioritised for upgrading. A draft of this plan must be submitted to DHS by 29 October 2021. DHS will provide comments by 30 November 2021 Draft Informal Settlement Upgrading Plans for each settlement to be upgraded in 2022/23 must be submitted to the National Department by 28 January 2022. The DHS will provide comments by 15 March 2022 Final Business plans must be submitted by not later than 15 April 2022

Municipal Emergency Housing Grant	
Transferring department	<ul style="list-style-type: none"> • Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> • Schedule 7, Part B
Strategic goal	<ul style="list-style-type: none"> • To ensure improved quality of household life following a disaster (as defined in the Disaster Management Act)
Grant purpose	<ul style="list-style-type: none"> • To provide funding to municipalities for provision of temporary shelter assistance to households affected by disasters or a housing emergency • To provide funding to municipalities to repair the damage to housing for low-income households following a disaster or housing emergency if the costs of repairs are less than the cost of relocation and provision of temporary shelter
Outcome statements	<ul style="list-style-type: none"> • Households accommodated in adequate temporary shelter following a disaster • The safety of houses for low income households, damaged following a disaster restored
Outputs	<ul style="list-style-type: none"> • Emergency and short-term assistance to households affected and/or impacted by disasters, through: <ul style="list-style-type: none"> ○ provision of temporary shelter ○ temporary relocation of households to safer accommodation and/or shelter ○ repair to damaged houses following a disaster
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • Applications for funding from this grant use the Municipal Emergency Housing Grant (MEHG) application form which must be supported by the following documents: <ul style="list-style-type: none"> ○ details of the disaster, municipal ward, the impact thereof and number of temporary shelters required as well as the number of households affected ○ specification of the shelter to be provided and total funds required for disaster response ○ implementation plan ○ summary of the projects including GPS coordinates ○ register of beneficiaries detailing names, ID numbers and physical location ○ consolidated project cash flow over a three-month period as an annexure to the implementation plan ○ a copy of the municipality's Supply Chain Management Policy highlighting emergency procurement policy/procedures ○ letter from the Provincial Disaster Management Centre signed by the Head confirming that the disaster incident occurred
Conditions	<ul style="list-style-type: none"> • Municipalities must submit an application to the national Department of Human Settlements (DHS) within 14 days of the agreement by the Mayor that a housing emergency exists in terms of section 2.3.1 (a) and (b) of the Emergency Housing Programme as per the Housing Code • The relevant Provincial Disaster Management Centre must be informed of the application in writing by the municipality • The municipal manager must sign-off and confirm the information captured in the application. • Shelter solutions funded from the grant must comply with the National Housing Code and subsidy quantum • The approval of funding to repair damage caused by disasters must be subjected to the assessment report • The flow of the first tranche of funds is conditional on approval by the national DHS • The flow of the second tranche is subject to the municipality spending at least 80 per cent of the first instalment and submitting detailed non-financial and financial reports indicating progress to date signed-off by the accounting officer • Funds may only be spent on items and activities included in the application approved by the Accounting Officer of the national DHS • Municipal officers must submit a report within 30 days after the end of the quarter in which the funds are spent, outlining expenditure of the funds and documentary proof of services rendered. Thereafter monthly reports shall be submitted to the national DHS until the funds are fully utilised • The emergency procurement system as guided by Public Finance Management Act, Municipal Finance Management Act and Treasury Regulations must be invoked to ensure immediate assistance to the affected communities
Allocation criteria	<ul style="list-style-type: none"> • This grant funding is intended to address the housing needs of households who for reasons beyond their control, find themselves in need of emergency housing, such as: <ul style="list-style-type: none"> ○ existing shelter destroyed or damaged by a disaster ○ displaced following a disaster ○ relocation due to prevailing material (i.e. physical) conditions posing an immediate threat to the adequacy and safety of their existing housing as a result of a disaster • The grant is allocated to municipalities on application and approval thereof by the accounting officer of the national DHS
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a conditional grant with a specific purpose to provide for a rapid response to disasters as they arise
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • The grant was allocated R149 million and R147 million was transferred to municipalities of which R44 million was spent by municipalities <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • The following municipalities received funding: • Mbashe Local Municipality (R5 million: 48 units delivered)

Municipal Emergency Housing Grant	
	<ul style="list-style-type: none"> • eThekweni Metro (R91 million: nil units delivered) • Mtubatuba Local Municipality (R42 million: 391 units delivered) • Nama Khoi Local Municipality (R1 million: nil units delivered) • Raymond Mhlaba Local Municipality (R3 million: nil units delivered) • Greater Kokstad Local Municipality (R5 million: 32 units delivered)
Projected life	<ul style="list-style-type: none"> • This grant is expected to continue over the medium term and will be subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R168 million; 2022/23: R175 million and 2023/24: R183 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Advise and guide municipalities about the existence of the MEHG and how it can be accessed • Develop and publish the MEHG application form template in consultation with National Treasury and the National Disaster Management Centre • Monitor programme implementation including establishing and maintaining a register or database of human settlements disasters • Support municipalities to plan for potential disasters. This includes identifying communities/households that reside in unsafe conditions posing a threat to health and safety as well as households who live in areas prone to flooding and/or other disasters • Monitor the planning and priority development for communities/households residing in unhealthy and life-threatening circumstances and provide implementation assistance where required • Facilitate a coordinated housing assistance intervention response in circumstances where disasters affect more than one municipality • Coordinate assistance with the National Disaster Management Centre to ensure there is no duplication of funding with the provincial and municipal disaster relief grants and the Provincial Emergency Housing Grant • Request National Treasury's approval for the disbursement of funds to municipalities within 30 days of receipt of an application for funding from this grant • Notify the municipality and the relevant provincial treasury of a transfer at least two days before the transfer of funds. Funds must be transferred no later than five days after the notification • Design a reporting template to be signed a duly authorised and or delegated official in the municipality • Transfer funds to the municipalities with a clear stipulation of the purpose of the funds • Provide the National Treasury with written notification of the transfer within 10 days after a transfer of the funds • Undertake over sight visits together with the municipality for verifications of reported performance • Submit financial and non-financial reports to the National Treasury 20 days after the end of each month • Provide a performance report within 45 days after the end of the quarter in which the funds were spent, to the National Treasury, using the disaster allocation monitoring template agreed with the National Treasury • Together with the municipalities monitor the implementation of funded projects • Support municipalities in accessing the MEHG
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Municipalities are responsible for providing the first response in the immediate aftermath of a housing emergency • Prepare and submit a complete application with all supporting documents for the MEHG in the event of disaster incidents occurring within their jurisdiction • Together with the national DHS conduct initial assessments of disaster impacts to verify the applications for funding within five days following the occurrence of a reported incident that meets the conditions • Upon approval of the application by the national DHS and receipt of funding, implement the intended relief measure (emergency housing solutions) in respect of the affected households and communities • Manage implementation of emergency interventions including establishing and maintaining a register or database of human settlements disasters and emergencies in the municipality • Plan disaster mitigation measures in collaboration with the relevant Local Disaster Management Centre; these include public awareness and community outreach initiatives in respect of disaster mitigation • Facilitate the release of municipal owned land for emergency housing and resettlement purposes • Plan for potential disaster incidents. This includes identifying communities/households that reside on inadequate land posing a threat to health and safety as well as households who live in areas prone to flooding and/or other disasters • Facilitate that identified and prioritised communities and/or households are relocated and properly housed in formalised townships that comply with human settlement development norms and standards • Ensure that the shelter solutions comply with the Housing Code • Monitor the planning and priority development for communities/households residing in unhealthy and life-threatening circumstances and provide implementation assistance where required • Provide financial and non-financial reports to national DHS within 15 days after the end of each month on a reporting template signed by a duly authorised and or delegated official in the municipality • Ensure contingency plans are in place to facilitate the provision of emergency shelter in the immediate aftermath of a housing emergency. These plans could include having standby contracts in place that allow for the rapid deployment of emergency shelter and/or identifying safe sites for temporary shelter • Ensure that emergency procurement policies in line with the Public Finance Management Act (PFMA) and Treasury Regulations are in place

Municipal Emergency Housing Grant	
	<ul style="list-style-type: none"> • Provide a performance report which includes evidence on progress with implementation of the projects to the national DHS within 30 days after the end of the quarter in which funds are spent • Apply for rollover in terms of section 21 of DoRA and furnish the transferring officer with a proof of the submission to National Treasury • Identify communities and/or households for temporary relocation due to an imminent disaster event • Monitor the implementation of funded disaster projects by sectors • Maintain a register of the beneficiaries detailing names, ID numbers and physical location
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Not applicable

Urban Settlements Development Grant	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> Schedule 4, Part B
Strategic goal	<ul style="list-style-type: none"> The creation of sustainable and integrated human settlements that enable improved quality of household life
Grant purpose	<ul style="list-style-type: none"> To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development
Outcome statements	<ul style="list-style-type: none"> The outcomes to be realised in order to promote integrated sustainable urban settlements and improved quality of living environments are as follows: <ul style="list-style-type: none"> supporting inclusive densification and transit-oriented urban development, integrating existing and new urban developments provision of adequate bulk and link infrastructure for mixed-income and mixed-use urban developments provide opportunities for leveraging of public funding within partnerships that promote integrated mixed-income and mixed-use urban development projects and funding for broader urban development
Outputs	<ul style="list-style-type: none"> The following outputs should be funded by the grant to support the improvement of the overall built environment: <ul style="list-style-type: none"> increase in bulk and link infrastructure construction/provision of internal engineering services increase in the number of serviced sites increase in the provision of individual connections increase in land provision for informal settlement upgrading, subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments increase in access to public and socio-economic amenities increase in the number of interim basic services Response to the COVID-19 pandemic <ul style="list-style-type: none"> Number of municipal-owned facilities identified for quarantine sites that are repaired (limited to repairs to existing facilities, not modifications and operational costs) Number of public facilities (by category) sanitised Number of hand-washing dispensers installed Litres of sanitiser procured Number of temperature scanners procured Number of municipal workers provided with personal protective equipment
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses the USDG plan (containing a project list with project names, project descriptions, infrastructure classification, Geographic Information System (GIS) coordinates and wards in which projects are being developed. The USDG plan is consistent with the Integrated Development Plan (IDP), including the human settlements chapter of the IDP, and the Service Delivery and Budget Implementation Plan (SDBIP) of the receiving municipality
Conditions	<ul style="list-style-type: none"> Municipalities must submit a USDG plan that is aligned to the SDBIP, IDP and the One Plan in pilot areas for the District Development Model to the national Department of Human Settlements (DHS) and National Treasury The annual USDG plan must contain a project list with project names, project descriptions, classification of infrastructure, GIS coordinates and wards in which projects are being developed. The submission should include motivations of how the projects will benefit poor households and information on spatial targeting, co-funding and other associated investments The flow of the first instalment is subject to: <ul style="list-style-type: none"> submission of the 2020/21 third quarter report, in line with the requirements set out in the Municipal Finance Management Act (MFMA) circular 88, signed-off by the municipal Accounting Officer submission of a USDG plan that is aligned to the municipal IDP, SDBIP and national priorities by 28 May 2021 The flow of the second instalment will be conditional upon the: <ul style="list-style-type: none"> submission of the 2020/21 fourth quarter report in line with the requirements set out in the MFMA circular 88, signed-off by the accounting officer of the municipality submission of 2021/22 first quarter performance information, in line with the requirements of the MFMA circular 88 The flow of the third instalment will be conditional upon submission of second quarter performance information, in line with the requirements of the MFMA circular 88 A maximum of 3 per cent of the USDG may be used to procure capacity to support the implementation of USDG human settlements programme outputs as contained in the Medium-Term Strategic Framework (MTSF) and in line with the capacity building guideline published by DHS Municipalities must indicate the amounts of their annual allocations for spending on the identified catalytic projects as approved by the municipal council Municipalities must ensure that a minimum prescribed threshold of their allocations is spent on services provided by companies that are owned by vulnerable groups Response to COVID-19 pandemic <ul style="list-style-type: none"> Municipalities must submit a USDG plan for approval by DHS, outlining the planned use of USDG funds for the following activities as part of the response to the COVID-19 pandemic: <ul style="list-style-type: none"> municipalities must prioritise the provision of water and sanitation to communities that do not currently have access to water services or require additional water services

Urban Settlements Development Grant	
	<ul style="list-style-type: none"> ○ funds may be used for the costs of providing services at higher frequency and/or standards for informal settlements and vulnerable communities ○ grant funds may be used for the repair of municipal-owned infrastructure identified for quarantine sites (limited to repairs to existing facilities, not modifications and operational costs) ○ funds may be used for the sanitisation of public facilities (except public transport facilities) ○ Buffalo City may use up to 15 per cent of its allocation for the sanitisation of public transport facilities, including providing for hand washing facilities, hand sanitiser, provisions for physical distancing and provision of personal protective equipment for public transport workers ● Monthly reports on COVID-19 expenditure must include information on actual spending and services delivered
Allocation criteria	<ul style="list-style-type: none"> ● The grant is allocated to all metropolitan municipalities ● The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2021 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● This is a supplementary capital infrastructure grant with conditions, objectives and distribution criteria (including infrastructure backlogs) different to those of the equitable share
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> ● The grant was allocated R12 billion and R11.7 billion (97 per cent) was transferred to municipalities <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> ● Delivery performance is indicated in the performance evaluation reports for 2019/20
Projected life	<ul style="list-style-type: none"> ● The USDG will continue until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> ● 2021/22: R7.4 billion; 2022/23: R7.4 billion and 2023/24: R7.7 billion
Payment schedule	<ul style="list-style-type: none"> ● Transfers will be made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> ● Develop indicators for the outcomes and outputs ● Convene a structured forum to meet with municipalities on a quarterly basis ● Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities ● Provide support to municipalities with regard to human settlement programmes ● Publish a guideline by 28 May 2021 on how municipalities should use capacity funds from this grant ● Ensure collaboration between provinces and municipalities to promote area-based planning, budgeting and funding alignment as well as implementation support, where applicable ● Undertake oversight visits to municipalities as may be necessary ● Facilitate strategic and spatial planning support related to human settlements development ● Provide systems, including the Housing Subsidy System that support the administration of the human settlements delivery process ● Coordinate and facilitate interaction between national departments, state-owned enterprises, other relevant entities of the state, provincial departments of human settlements and participating municipalities, on a quarterly basis ● When under expenditure and under performance is identified, the department may recommend the stopping and reallocation (in terms of sections 18 and 19 of the 2021 Division of Revenue Act) of funds that are anticipated to be unspent ● Participate in the municipal budget benchmarking process as and when indicated by the National Treasury ● Review BEPP guidelines ● Share COVID-19 response plans from municipalities with National Treasury for comments before approving them ● DHS must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 9 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre ● The transferring officer should design and distribute a template to be signed by a municipal manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities <p>Responsibilities of other national sector departments</p> <ul style="list-style-type: none"> ● The Department of Mineral Resources and Energy, Department of Water and Sanitation, Department of Environment, Forestry and Fisheries and the Department of Transport must all provide technical advice and support relevant to their sectors and monitor the performance of municipalities as reported in terms of the MFMA circular 88 <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> ● Metropolitan municipalities may replace non-performing projects with performing projects providing a similar infrastructure that fulfils the same policy objectives. This replacement should not jeopardise the achievement of the overall MTSF targets committed to by the municipality ● Changes to the approved project list may only be made once a quarter and the metro must notify the DHS in writing and provide all the relevant details of the new project within 30 days after the end of the quarter ● Comply with the terms and conditions of the receiving officer outlined in the Division of Revenue Act ● Ensure effective and efficient utilisation of the grant and alignment to the purpose and outputs of the grant ● Ensure compliance with required intergovernmental forums, reporting, and accountability frameworks for human settlements ● Ensure that the USDG is used to meet municipality MTSF targets

Urban Settlements Development Grant	
	<ul style="list-style-type: none"> • Municipalities should submit a signed letter by a municipal manager or a delegated authorised person as an attachment to the monthly and quarterly reports • Municipalities must report on the percentage of their allocations spent on service provided by companies owned by vulnerable groups on a quarterly basis
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Municipalities must submit a comprehensive USDG plan (based on circular 88 indicators) with targets aligned to the MTSF, IDP and SDBIP and a draft and/or approved municipal budget • Municipalities must submit their first draft of the USDG plan to the transferring officer by 25 March 2022 and the final USDG plan should be submitted by 30 May 2022

NATIONAL TREASURY GRANTS

Infrastructure Skills Development Grant	
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 8)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To improve infrastructure delivery management capacity within municipalities by developing a long-term and sustainable pool of registered professionals with built environment and related technical skills in engineering, town planning, quantity surveying, geographic information systems and project management
Grant purpose	<ul style="list-style-type: none"> To recruit unemployed graduates into municipalities to be trained and professionally registered, as per the requirements of the relevant statutory councils within the built environment
Outcome statements	<ul style="list-style-type: none"> Developed technical capacity within local government to enhance infrastructure provision, and service delivery, through improved infrastructure planning, implementation, operations and maintenance Registered professionals with built environment qualifications (national diplomas and degrees) as per the statutory councils' requirements Increased number of qualified and registered professionals employed within local government
Outputs	<ul style="list-style-type: none"> Number of built environment graduates registered as candidates for training and professional development as per requirements of the relevant statutory councils Number of graduates recognised as registered professionals by the relevant statutory councils Number of graduates employed as registered professionals within the built environment in local government
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> The business plan must demonstrate that the municipality has projects in which the graduates can be trained, and provide the relevant complexity of work and responsibility that can support graduates to meet the registration requirements of the relevant statutory councils The business plan must be signed by the Municipal Manager Graduates must be seconded to an entity (public or private) if no relevant training is available to develop the necessary competence of the graduates Where graduates are placed in another entity (public or private) a memorandum of agreement must be developed and signed between the municipality and the entity, according to Infrastructure Skills Development Grant (ISDG) guidelines. The memorandum of agreement must clearly demonstrate the supervision requirements and the roles and responsibilities of all parties associated with the training of graduates Graduates must have a national diploma or degree in the built environment from higher education institutions i.e. universities or universities of technology recognised by the statutory council Municipalities must provide training as per the road-to-registration requirements of the relevant statutory council Mentoring must be provided by registered professionals in the same field as the graduates in training. The full names and proof of registration of the mentor must be submitted to the National Treasury, and a contract must be entered into with each mentor, in accordance with the ISDG guidelines The ISDG funding is to be utilised exclusively for costs associated with the training and professional development process of graduates (refer to ISDG guidelines) The business plan of a municipality must include an absorption strategy for the graduates within the municipality or any other municipality A project administrator may be appointed per municipality for the purpose of the ISDG administration if approved by National Treasury (refer to ISDG guidelines) Graduates are to be placed in units to support the management, maintenance and/or implementation of infrastructure, infrastructure related projects and accelerated service/infrastructure delivery Graduates must be assigned to a supervisor with experience in the same field as the graduates-in-training Graduates' training progress is to be evaluated by professionally registered mentors on a quarterly basis and development of the required competencies of graduates is to be evaluated bi-annually Municipalities must submit monthly and quarterly reports timeously Graduate reports and/or log books must be completed in the format of the statutory council and must be signed by the registered mentor/supervisor as required by statutory councils Municipal Managers must sign a service level agreement (SLA) with the National Treasury and such an agreement must be adhered to Non-compliance with the above conditions can result in the funds being withheld, stopped or re-allocated
Allocation criteria	<ul style="list-style-type: none"> Allocations are based on business plans submitted and ability of municipalities to provide training and professional development of graduates for the duration of the candidate phase as stipulated by statutory councils
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This conditional grant is meant to develop technical skills within municipalities
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> R141 million was allocated and transferred to 15 municipalities

Infrastructure Skills Development Grant	
	<p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • The grant has created employment and training opportunities • Currently 343 graduates are in training • Since inception of the grant, 263 graduates have been professionally registered with the relevant statutory councils • In 2019/20 the following municipalities hosted graduates through the grant: Buffalo City (27 graduates); Nelson Mandela Bay (30 graduates); eThekweni (48 graduates); City of Johannesburg (18 graduates); Polokwane (18 graduates); Govan Mbeki (56 graduates); Gert Sibande (31 graduates); Alfred Nzo (19 graduates); Sol Plaatjie (13 graduates); John Taolo Gaetsewe (9 graduates); King Sabata Dalindyebo (10 graduates); City of Cape Town (28 graduates); George (15 graduates); Alfred Duma (11 graduates); Thulamela (10 graduates)
Projected life	<ul style="list-style-type: none"> • The grant is expected to continue up to 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R155 million; 2022/23: R159 million and 2023/24: R160 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by the National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Issue guidelines and supporting documentation for the implementation of the ISDG • Rollout the ISDG in municipalities in compliance with the ISDG framework, guidelines and relevant prescripts • Manage, monitor and report on the programme • Ensure professional development is aligned to statutory council requirements • Monitor the registration progress of graduates with the relevant statutory councils by municipalities • Monitor financial and non-financial performance of the ISDG • Maintain graduates' database for the ISDG • Work with relevant stakeholders on policies, strategies and guidelines to recruit graduates into permanent positions in local government after they have registered as professionals • Participate in the review of the municipal capacity support system during 2021 <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Comply with the requirements of the Division of Revenue Act, ISDG guidelines, service level agreement and the requirements of the relevant statutory councils • Municipalities must prepare a structured training plan, indicating how graduates will be exposed to suitable projects, to ensure that graduates achieve competencies in relevant activities and are developed professionally to meet the outcome(s) requirements for professional registration • Seek and provide secondment opportunities/agreements with professional service providers, appointed by the municipality, when there is no more relevant work with adequate responsibility for the candidate to progress • Provide the candidate with the requisite workspace, supervisor, tools of profession/trade and logistics to perform the recommended activities within their training plans • Continuously review and assess the candidates' work and progress on the road-to-registration and make recommendations for corrective action • Ensure that candidates attend professional development activities in accordance with their training plans, progress and the requirements of their respective statutory councils • Attend all meetings and workshops convened by the National Treasury relating to this grant • Support and supervise graduates on the road-to-registration training • Recruit professionally registered mentors who are able to provide the skills training required and ensure that they are adequately orientated on the registration process and its requirements • Manage the programme and provide progress reports on a monthly and quarterly basis in the standard reporting templates provided by the National Treasury • Manage the utilisation of ISDG funds and report to the National Treasury • The municipality must provide, and update, the list of business tools procured with ISDG funds. The business tools must be procured in accordance with ISDG guidelines • Municipalities must submit applications for graduates to register as candidates with the relevant statutory councils within six months, and where not initially eligible, must complete the additional requirements for acceptance as a candidate within 12 months of intake • Municipalities must submit evidence of the graduates' registration to National Treasury when graduates have registered as professionals
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Interested municipalities must submit a three-year business plan by 31 August 2021 for assessment by the National Treasury • Participating municipalities must submit revised business plans to the National Treasury by 31 August 2021

Local Government Financial Management Grant	
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 8)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To secure sound and sustainable management of the fiscal and financial affairs of municipalities
Grant purpose	<ul style="list-style-type: none"> To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA)
Outcome statements	<ul style="list-style-type: none"> Strengthen capacity in the financial management of municipalities Improved and sustained skills development, including the appointment of interns supporting the implementation of financial management reforms focusing on the gaps identified in the Financial Management Grant (FMG) support plans Appropriately skilled financial officers, appointed in municipalities consistent with the minimum competency regulations Improved financial management maturity and capabilities Timely submission of financial statements and improved audit outcomes Improvement in municipal financial governance and oversight Reduction in unauthorised, irregular, fruitless and wasteful expenditure incurred by municipalities
Outputs	<ul style="list-style-type: none"> Number of municipal officials registered for financial management training Number of interns serving on the internship program, and permanently appointed in municipalities Number of municipalities that have reassessed priority modules in the Financial Management Capability Maturity Model (FMCMM) Number of municipalities with established internal audit units and audit committees Number of municipalities that submitted their annual financial statements timeously Number of municipalities with disclaimers and adverse opinions that developed audit action plans Submission of FMG support plans Number of municipalities that are municipal Standard Chart of Accounts (mSCOA) complaint Number of disciplinary boards established
Priorities of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 1: A capable, ethical and developmental state Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses an FMG support plan which identifies weaknesses in financial management, which are planned to be addressed through the grant allocation
Conditions	<ul style="list-style-type: none"> FMG funds can be used towards the following: <ul style="list-style-type: none"> strengthen capacity and up-skilling officials in the budget and treasury office, internal audit and audit committees a total of five interns in local municipalities and three interns in metropolitan and district municipalities must be appointed over a multi-year period. Municipalities must submit a plan for the retention of skills developed through the internship programme on-going review, revision and submission of FMG support plans to the National Treasury that address weaknesses in financial management acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, service delivery and budget implementation plans, annual financial statements, annual reports and automated financial management practices including the mSCOA support the training of municipal financial management officials working towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007 amended through Gazette 41996 of October 2018 support the preparation and timely submission of annual financial statements for audits. Technical support to municipalities must include the transfer of skills to municipal officials support the implementation of corrective actions to address the root causes of audit findings in municipalities that received adverse and disclaimer opinions support the implementation of the financial misconduct regulations and promote consequence management to reduce unauthorised, irregular, fruitless and wasteful expenditure incurred by municipalities support to strengthen financial governance and oversight, as well as functioning of Municipal Public Accounts Committees implementation of financial management reforms and overall compliance with the MFMA to address shortcomings identified in the Financial Management Capability Maturity Model assessments for that municipality support the training of the municipal officials that are members of the bid committees Spending on the conditions above exclude any cost relating to travel, accommodation and incidental expenses FMG support plan must be consistent with the conditions of the grant and must be submitted timeously Timely submission of reports with complete information as prescribed in the 2021 Division of Revenue Act Expenditure must be maintained at appropriate levels

Local Government Financial Management Grant	
Allocation criteria	<ul style="list-style-type: none"> • All municipalities benefit from allocations to augment their own resources in support of implementation of the financial management reforms • Priority is given to municipalities: <ul style="list-style-type: none"> ○ with challenges/shortcomings in processes, procedures and systems to effectively implement the MFMA, as identified in the Financial Management Capability Maturity Model assessment ○ with adverse and disclaimer audit opinions
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Grant provides direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA, its regulations and associated financial reforms
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • R533 million was allocated and R533 million was transferred to 257 municipalities <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • All 257 municipalities submitted FMG support plans • As at 30 June 2020, 1 065 graduate finance interns were serving on the internship programme in municipalities • Internship workshops to improve the programme and sustain reforms were concluded in four provinces • The grant supported the following outputs: <ul style="list-style-type: none"> ○ a total of 1 566 officials received a statement of results for attaining minimum competencies ○ 51 municipalities utilised the FMG to develop audit action plans and implement corrective actions to address 2018/19 audit findings ○ 209 municipalities utilised the FMG to acquire/upgrade and maintain their financial management systems ○ 149 municipalities utilised the FMG to strengthen the capacity and up-skill officials in the budget and treasury office, internal audit units and audit committees
Projected life	<ul style="list-style-type: none"> • Ongoing with periodic reviews as the financial reforms are still in progress
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R552 million; 2022/23: R566 million and 2023/24: R569 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Management, monitoring and reporting of the programme • Transfer funds to municipalities in terms of the 2021 Division of Revenue Act • Undertake on-going monitoring of the municipalities • Participate in the review of the municipal capacity support system during 2021 <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Submit support plans which are consistent with the conditions of the grant • Submit reports consistent with the reporting requirements in the 2021 Division of Revenue Act
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • On-going review, revision and submission of the FMG support plans to address weaknesses in financial management • The programme is based on the FMG support plans which municipalities must submit to the National Treasury before the start of the municipal financial year

Neighbourhood Development Partnership Grant	
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 8)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B and Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> Eradicating spatial inequality towards the creation of liveable, sustainable, resilient, efficient, and integrated towns and cities
Grant purpose	<ul style="list-style-type: none"> To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, generally townships and rural towns
Outcome statements	<ul style="list-style-type: none"> Spatially integrated cities and towns Diversity of public and private capital investments leveraged into targeted locations Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third-party capital investment into strategic locations Improved municipal capacity to support infrastructure investment planning, prioritisation, and ability to drive long-term spatial transformation
Outputs	<ul style="list-style-type: none"> Targeted locations with catalytic projects, defined as either: <ul style="list-style-type: none"> urban hub precincts with secondary linkages and rural regional service centers catalytic programmes within integration zones built environment upgrade projects in urban townships and rural towns leveraged third-party capital investment into targeted locations The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events Enhanced municipal strategic competencies in investment targeting, implementation and urban management
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Compliance with the aims and objectives outlined in the investment plans between the municipality and the transferring officer Submission of cash flow schedules with budgets and timeframes for technical assistance and capital grant (project) implementation as requested by the transferring officer Programme execution is dependent on a sequential and formal acceptance/approval by the transferring officer of NDPG-related municipal plans or deliverables Municipalities must commit to forging partnerships with businesses, investors, communities, national and provincial government and state-owned entities in order to leverage the third-party capital investment required to ensure long-term and sustainable outcomes for each precinct
Allocation criteria	<ul style="list-style-type: none"> The grant funds the following activities in targeted locations that are defined as urban hubs and regional service centers: <ul style="list-style-type: none"> planning and the development of catalytic programmes and projects the development of built environment upgrade projects in townships and rural towns Schedule 6, Part B: technical assistance allocations support planning and professional programme management costs for programmes and projects in targeted locations in order to attract and sustain third party capital investments based on the NDPG's allocation criteria Schedule 5, Part B: capital grant allocations are determined via a pipeline of prioritised projects that have been identified through the planning process, in targeted locations Allocations are focused on municipalities whose circumstances align with the NDPG's criteria, these include <ul style="list-style-type: none"> higher population densities diverse nature of economic activity concentrations of poverty inefficient spatial-historical development improved connectivity and mobility (in particular through improved public transport networks) Rural towns are selected according to population or population growth, location, economic potential and/or growth and governance and financial health
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This grant has a strong focus on catalytic nodal and linkage investment in targeted township locations that is not the focus of the equitable share
Past performance	<p>2019/2020 audited financial outcomes</p> <ul style="list-style-type: none"> R602 million allocated in Schedule 5, Part B direct transfers to municipalities and R592 million of this was transferred to municipalities R50 million allocated in Schedule 6, Part B indirect transfers to municipalities and R46 million of this was spent by the end of the national financial year <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 82 NDPG projects under construction in 2019/ 20 R14 billion in estimated third party investment leveraged (cumulative since 2007/08) 546 catalytic projects approved (cumulative since 2007/08) 18 long-term urban regeneration programmes registered (cumulative since 2013/14)
Projected life	<ul style="list-style-type: none"> This grant is expected to continue over the medium term

Neighbourhood Development Partnership Grant	
MTEF allocations	<p>Direct transfers (Schedule 5, Part B):</p> <ul style="list-style-type: none"> • 2021/22: R567 million; 2022/23: R593 million and 2023/24: R619 million <p>Allocation-in-kind (Schedule 6, Part B):</p> <ul style="list-style-type: none"> • 2021/22: R91 million; 2022/23: R101 million and 2023/24: R101 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Funds plans and catalytic projects in targeted locations that are defined either as urban hubs, integration zones, catalytic programmes or as built environment upgrade projects in urban and rural towns, including: <ul style="list-style-type: none"> ○ notifying all municipalities of their allocation status, both directly and via the Neighbourhood Development Partnerships page on the National Treasury website ○ reporting in terms of the 2021 Division of Revenue Act ○ determining grant allocations for the Medium Term Expenditure Framework period ○ governing the acceptance or approval milestones of NDPG-related municipal plans or deliverables ○ monitoring, managing and evaluating financial and non-financial performance ○ overseeing and enforcing the conditions of this grant ○ producing and disseminating toolkits, guidance and good practice notes that strengthen competencies in investment targeting, implementation and urban management • Coordinate an advisory committee that includes the Department of Rural Development and Land Reform, Department of Cooperative Governance as part of the management of NDPG's small town projects • Participate in the review of the municipal capacity support system during 2021 <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the 2021 Division of Revenue Act • Submit a cash flow schedule with budgets and timeframes for technical assistance and/or capital grant implementation as requested by the transferring officer • Provide adequate human resources capacity for the successful coordination and implementation of NDPG projects • Coordinate the development of NDPG related municipal plans or deliverables and ensure that they are aligned with the grant objectives against which performance will be assessed • Manage and monitor technical assistance and/or capital grant implementation ensuring sound financial management and value for money • Maintain accurate and up to date grant and performance information as specified in NDPG management information formats and systems • Engage stakeholders so as to develop partnerships that leverage funding into the targeted locations • Enter and manage partnership agreements to ensure that the desired project deliverables and objectives are met • Collect and provide evidence of funding leveraged into each precinct • Mainstream and reflect the NDPG development strategies and plans across the municipality, i.e. through the municipal: <ul style="list-style-type: none"> ○ spatial development frameworks and capital investment frameworks (as a chapter in the municipal Spatial Development Framework) ○ Integrated Development Plans ○ Built Environment Performance Plans - only applicable to metropolitan municipalities
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Submission of NDPG related municipal plans and/or deliverables within the timeframes defined in each municipality's own work plans • Plans and/or deliverables must include an indication of: <ul style="list-style-type: none"> ○ the ability to attract and report on third-party funding leveraged ○ the quality of performance and progress reporting ○ the level of NDPG alignment across all municipal development strategies and plans including coordination, targeting, and prioritisation with other related capital projects as reflected through municipal spatial development frameworks and capital investment frameworks

Programme and Project Preparation Support Grant	
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 8)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> The development of more inclusive, liveable, productive and sustainable urban built environments in metropolitan municipalities
Grant purpose	<ul style="list-style-type: none"> To support metropolitan municipalities to develop a pipeline of investment ready capital programmes and projects through establishing and institutionalising an effective and efficient system of programme and project preparation and the allocation of a growing level of municipal resources to preparation activities
Outcome statements	<ul style="list-style-type: none"> Strengthened and effective system of programme and project preparation in the metropolitan cities
Outputs	<ul style="list-style-type: none"> Effective and transparent system for project approvals (clearly defined authorising environment) in the metropolitan municipalities Increased investment in programme and project preparation by the metropolitan municipalities Credible pipeline of projects developed by metropolitan municipalities Number of studies/strategies completed
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Eligibility is restricted to metropolitan municipalities which have: <ul style="list-style-type: none"> formally adopted the Cities' Infrastructure Delivery and Management System (CIDMS) guidelines committed to co-financing contributions The first transfer of the grant will only be released to a municipality that has, by 31 May 2021, submitted a work plan to National Treasury with programme and project preparation activities Further transfers will be based on performance in line with the work plan submitted to National Treasury Funds can only be spent on direct operating costs for programme and project preparation activities
Allocation criteria	<ul style="list-style-type: none"> Allocations will be made to eligible metropolitan municipalities on a population-weighted basis in order to account for the relatively greater planning complexity and investment needs in larger metropolitan municipalities Final allocations will be made based on municipal submissions (work plan) and performance, and subject to co-financing requirements
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The grant provides funding to the metropolitan municipalities to enhance the performance of their urban built environment programmes by supporting programme and project preparation. 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
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> New grant <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> New grant
Projected life	<ul style="list-style-type: none"> The grant will continue up to 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R341 million; 2022/23: R361 million and 2023/24: R377 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Review eligibility criteria and assess compliance with grant conditions prior to the transfer of each tranche of the allocations Provide operational guidelines, facilitate peer learning and provide capacity support through the Cities Support Programme and the Neighbourhood Development Programme <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Submit a work plan of activities relating to the establishment and institutionalisation of programme and project preparation Implement the work plan
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> National Treasury will communicate further details of the requirements for project and programme preparation funding over the 2022 MTEF period by September 2021 Municipalities must submit a work plan of activities relating to the establishment and institutionalisation of programme and project preparation by November 2021

PUBLIC WORKS AND INFRASTRUCTURE GRANT

Expanded Public Works Programme Integrated Grant for Municipalities	
Transferring department	<ul style="list-style-type: none"> Public Works and Infrastructure (Vote 13)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised
Grant purpose	<ul style="list-style-type: none"> To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: <ul style="list-style-type: none"> road maintenance and the maintenance of buildings low traffic volume roads and rural roads basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure) other economic and social infrastructure tourism and cultural industries waste management parks and beautification sustainable land-based livelihoods social services programmes community safety programmes
Outcome statements	<ul style="list-style-type: none"> Contribute towards increased levels of employment Improved opportunities for sustainable work through experience and learning gained
Outputs	<ul style="list-style-type: none"> Number of Full-Time Equivalents (FTEs) to be created through the grant Number of people employed and receiving income through the EPWP Increased average duration of the work opportunities created
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> The programme is implemented through municipalities using EPWP integrated agreements and project lists that specify the number of FTEs and work opportunities to be created
Conditions	<ul style="list-style-type: none"> EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by the Department of Public Works and Infrastructure (DPWI), the latest EPWP Ministerial Determination, the EPWP Recruitment Guidelines and the National Minimum Act of 2018 including applicable gazettes Municipalities must report monthly on all EPWP projects via DPWI's EPWP reporting system Reports must be loaded on the EPWP reporting system every month. The system closes 15 days after the end of every quarter in order for progress to be assessed Municipalities must maintain participant and payroll records as specified in the audit requirements in the EPWP grant manual The EPWP grant cannot be used to fund the costs of permanent municipal personnel however, a maximum of 5 per cent of the grant can be used to fund contract based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods The EPWP grant can only be utilised for EPWP purposes, for the projects approved in each municipality's EPWP project list To respond to the COVID-19 pandemic, municipalities may use up to 10 per cent of their allocations for the provision of personal protective equipment (e.g. temperature scanners, hand washing facilities, hand sanitizers as per the standard determined by the Department of Health), and provisions for physical distancing To receive the first tranche of the allocations, eligible municipalities must submit a signed integrated agreement with a project list by 30 June 2021 Subsequent grant disbursements are conditional upon: <ul style="list-style-type: none"> eligible municipalities reporting EPWP performance within the required timeframes compliant reporting on EPWP Integrated Grant funded projects submitting on a quarterly basis non-financial reports including for the last quarter of the previous financial year reporting on EPWP Integrated Grant expenditure monthly within the required time frames Municipalities must implement their approved EPWP project list and meet agreed job creation targets EPWP branding must be included as part of the project cost in line with the corporate identity manual
Allocation criteria	<ul style="list-style-type: none"> To be eligible for an EPWP grant allocation in 2021/22, a municipality must have reported at least 13 FTEs in either the infrastructure sector, social sector or environment and culture sector in the 2019/20 financial year Newly reporting municipalities must have reported at least 6.5 FTEs in either the infrastructure sector, social sector or environment and culture sector in the 2020/21 financial year by 15 October 2020 The EPWP grant allocations are based on: <ul style="list-style-type: none"> past EPWP performance the number of FTE jobs created in the prior 18 months past performance with regard to labour intensity in the creation of EPWP work opportunities service delivery information from 2016 Community Survey used as an adjustment factor Penalties are applied to municipalities with negative audit findings and non-compliant in terms of submission of the non-financial reports Allocation criteria include a rural bias

Expanded Public Works Programme Integrated Grant for Municipalities	
	<ul style="list-style-type: none"> Rural municipalities will also be prioritised in terms of technical support for implementation provided by DPWI
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This grant is intended to fund the expansion of labour intensity in specific focus areas as well as to incentivise increased EPWP performance. The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> The grant had an allocation of R730 million, 252 municipalities were eligible for the grant and 100 per cent of the allocation was transferred to these municipalities <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> 208 942 work opportunities were reported by 252 municipalities and validated on the EPWP system 66 875 FTE jobs were reported by 252 municipalities and validated on the EPWP system Average duration of the work opportunities created has increased to 73 days
Projected life	<ul style="list-style-type: none"> Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2021/22: R759 million; 2022/23: R778 million and 2023/24: R781 million
Payment schedule	<ul style="list-style-type: none"> Three tranches per annum: 25 per cent on 3 August 2021; 45 per cent on 2 November 2021 and 30 per cent on 1 February 2022
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Determine eligibility and set grant allocations and FTE targets for eligible municipalities Publish on the EPWP website all documents relevant for municipalities to understand and implement the grant, including a grant manual, the relevant EPWP guidelines, the EPWP Ministerial Determination and the National Minimum Wage including applicable gazettes Support municipalities in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria apply the EPWP project selection criteria and EPWP guidelines to project design report using the EPWP reporting system Monitor the performance and spending of municipalities according to the signed incentive agreement Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions Conduct site visits to verify existence of the projects and identify where support is needed <p>Responsibilities of the eligible municipalities</p> <ul style="list-style-type: none"> Develop and submit an EPWP project list to DPWI by 4 June 2021 Sign the standard funding agreement with DPWI agreeing to comply with the conditions of the grant before receiving any grant disbursement Agree on the areas requiring technical support from DPWI upon signing the grant agreement Ensure that reporting is done within the timelines stipulated in the grant agreement and that compliant information is captured in the EPWP reporting system Municipalities must maintain participant payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPWI for data quality assessment tests EPWP work opportunity reports must be captured on a monthly basis in order for progress to be assessed Submission of quarterly non-financial reports by the timelines stipulated in the clauses of the Division of Revenue Act
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Municipalities must report performance on EPWP projects for the 2021/22 financial year by 29 October 2021 to be eligible for a grant allocation Municipalities must submit a signed EPWP integrated agreement and project list by 30 June 2022

TRANSPORT GRANTS

Public Transport Network Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 40)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> • To support the National Land Transport Act (Act No. 5 of 2009) and Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable and affordable integrated municipal public transport network services
Grant purpose	<ul style="list-style-type: none"> • To provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that form part of a municipal integrated public transport network (IPTN) and to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services
Outcome statements	<ul style="list-style-type: none"> • Improved public transport network infrastructure and services that function optimally and are safe, convenient, affordable, well managed and maintained • Public transport systems that are accessible to an increasing percentage of the population of urban municipalities and contribute to more spatially efficient urban areas
Outputs	<p>Network Operations Component</p> <ul style="list-style-type: none"> • Number of average weekday passenger trips carried on Public Transport Network Grant (PTNG) funded networks • Number and percentage of municipal households within a 500m walk to an integrated public transport network (IPTN) station or stop that has a minimum peak period frequency of 15 minutes or better • Percentage uptime for network operating systems as a proportion of the network's public operating hours • Passengers per network vehicle per average weekday <p>Network Infrastructure Component</p> <ul style="list-style-type: none"> • Public transport network infrastructure including dedicated lanes, routes and stops/shelters, stations, depots, signage and information displays, control centres and related information technology, fare systems and vehicles (if the national Department of Transport (DoT) in consultation with National Treasury approves use of grant funds to purchase vehicles), non-motorised transport (NMT) infrastructure that supports network integration (e.g. sidewalks, cycleways, cycle storage at stations, etc.) • Plans and detailed design related to IPTN infrastructure and operations <p>Response to COVID-19 pandemic</p> <ul style="list-style-type: none"> • Number of vehicles sanitised • Number of public transport facilities sanitised • Number of hand-washing facilities installed • Litres of sanitiser and disinfectant procured • Number of temperature scanners procured • Number of public transport drivers provided with personal protective equipment (per equipment type) • Number of frontline public transport workers provided with personal protective equipment (per equipment type, per category of workers)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses IPTN operational and related plans that include financial modelling
Conditions	<ul style="list-style-type: none"> • Projects must be based on, and form part of, a strategic, municipal wide, long-term IPTN plan and strategy approved by the municipal council • Projects funded by this grant must be based on an operational and business plan, which must include a multi-year financial operational plan approved by the municipal council. This multi-year financial operational plan must cover the full duration of any contracts for each phase funded by the PTNG and include operating and maintenance costs and universal design access plans • Projects must support an integrated multi-modal network approach as defined in the National Land Transport Act (NLTA) and the Public Transport Strategy and municipalities must manage operations to progressively achieve the standard of service defined in the Public Transport Strategy within available resources • Projects in metropolitan municipalities must demonstrate alignment to Built Environment Performance Plans (BEPPs) • Projects should follow an environmental strategy and consider energy efficiency and environmental aspects, such as emission standards; mandatory specifications regarding average fleet emissions should be considered • The first tranche is subject to submission of milestones in terms of the template determined by DoT by 28 May 2021 or within seven working days upon adoption/approval by municipal council, as part of the annual budget appropriation • Subsequent payments will be conditional on the attainment of previously funded milestones as specified in the grant allocation letter to each municipality from the DoT. Milestones are based on the approved IPTN operational plans of cities and are defined after consultation with municipalities • All public transport infrastructure and services funded through this grant must ensure that there is provision for the needs of special categories of passengers (including disabled, elderly and pregnant passengers) in line with the requirements of section 11(c)(xiv) of the NLTA

Public Transport Network Grant	
	<ul style="list-style-type: none"> • Allocations for this grant are made to fund the development, implementation and operations for specific network phase(s) through two components, with separate conditions applicable to each component as set out in the allocations criteria section below • Allocations for the Network Operations Component will be determined by DoT once municipalities submit an annual operations plan including financial forecasts for 2021/22 by 28 May 2021 or within seven working days, upon adoption/approval by municipal council, as a part of the annual budget appropriation, funds from either component can be shifted to the other if approved by DoT and National Treasury • The second tranche is subject to cities submitting, by 30 July 2021, a updated multi-year financial operational plan (approved by council) for the duration of the vehicle operating contract/s pertaining to any phase on which 2021/22 grant funds will be spent • All new intelligent transport solutions (ITS) related contracts that will incur grant expenditure must be jointly approved by DoT and National Treasury before grant funds may be spent on them • An amount of R1.4 billion in 2021/22 is allocated to the City of Cape Town through the Budget Facility for Infrastructure (BFI) for MyCiti Phase 2A and may only be used for that purpose. Should there be cost variations of more than 10 per cent on the BFI funded project, the municipality is required to inform National Treasury and the transferring officer within 30 days • In order to ensure efficient usage of grant funds, the DoT can instruct that municipalities utilise national transversal appointments for IPTN related items such as professional services, vehicles and information technology including automated fare collection and vehicle tracking, where such contracts exist. For this purpose, up to 5 per cent of a municipality's allocation shall be ringfenced for payment by the relevant municipality where the Transferring Officer deems it necessary <p>Network Operations Component</p> <ul style="list-style-type: none"> • Operating subsidies from this component can fund security, station management, fare collection services, control centre operations, information and marketing, network management, insurance, compensation for the economic rights of existing operators and maintenance of infrastructure and systems • From the start of operations, IPTN systems must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any Public Transport Operations Grant contributions. These direct operating costs consist of fuel, labour, operator administration and vehicle maintenance • From the start of operations on a route, the grant can fund a portion of the per kilometre rate to subsidise up to 100 per cent of the capital cost (including interest and related fees) of vehicles purchased by the vehicle operating company • IPTN operational plans and on-going operations management must target improved farebox cost coverage, through minimising costs and maximising fare revenues. Municipalities operating network services are required to supply detailed operating performance and operating cost and revenue reports quarterly in the formats prescribed by the DoT • Operating subsidies for any new or existing service, line, route or phase, will only be transferred after a municipality meets the requirements of DoT's Operational Readiness Framework • Municipalities must enforce rules and by-laws regarding usage of dedicated lanes, fare payment, and operator/supplier compliance with contractual provisions • Municipalities are required to establish specialist capacity to manage and monitor public transport system contracts and operations • Verified data on operator revenue and profitability and draft agreements for the compensation of existing economic rights of affected operators must be provided to DoT prior to concluding agreements on compensation for economic rights • Municipalities must enforce agreements that only legal operators operate on routes subject to compensation agreements <p>Network Infrastructure Component</p> <ul style="list-style-type: none"> • The grant can fund all IPTN-related infrastructure, including for non-motorised transport, upgrades of existing public transport infrastructure and for new infrastructure • Municipalities must demonstrate in their IPTN operational plans that they have attempted to give maximum priority to public and non-motorised transport while minimising costs through using existing infrastructure, road space and public land • For each phase, final network routing, service design and related financial modelling must be submitted to DoT for review and approval before municipalities proceed with detailed infrastructure design • IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations) • Contracted operators should finance and own vehicles unless a case for the exceptional use of limited infrastructure funding for vehicle procurement is approved by DoT, in consultation with National Treasury. If approval is granted, any vehicles purchased with grant funds must remain the property of the municipality • To respond to the COVID-19 pandemic, municipalities may request approval from the DoT to use up to 25 per cent of their allocations for the sanitisation of public transport facilities, including the provision of personal protective equipment for public transport workers, hand washing facilities and provisions for physical distancing • Municipalities must report separately on COVID-19 expenditure, in their reports submitted in terms of section 12 of the Division of Revenue Act

Public Transport Network Grant	
Allocation criteria	<ul style="list-style-type: none"> • Allocations are only made to municipalities that submit business plans in line with the above conditions, that demonstrate sufficient capacity to implement and operate any proposed projects, and credibly demonstrate the long-term fiscal and financial sustainability of the proposed projects • 75 per cent of available funds are allocated according the three public transport demand factors. The three demand factors which are equally weighted are: <ul style="list-style-type: none"> ○ size of population ○ size of economy ○ number of public transport users • 20 per cent of available funds are allocated through a base component shared equally between participating municipalities • 5 per cent of available funds are allocated as a performance incentive to operating municipalities based on following three indicators (with a minimum threshold that will be revised upwards periodically): <ul style="list-style-type: none"> ○ coverage of costs from farebox: fare revenue as a percentage of direct operating costs, which indicates commitment to reducing operational costs, and is a measure of efficiency. The minimum threshold is 35 per cent ○ passenger trips: average weekday passenger trips as a percentage of the population. This indicates coverage of the system, in providing the services to residents. The minimum threshold is 1 per cent. The city should be operating for at least two months ○ skin in the game: city own funding as a percentage of the city's total property rates used towards funding the IPTN construction and operation. This is a measure of the cities' own commitment towards the system. The minimum threshold is 2 per cent • To be eligible for the incentive, municipalities must have spent at least 80 per cent of their PTNG allocation from the preceding year and exceed the minimum threshold in at least one of the three indicators • The information used for the incentive comes from cities' multi-year financial plans. If this information exceeds the audited numbers by more than 5 per cent, this will be corrected in the subsequent financial year by reducing the city's allocation by the amount that is over the amount the city would have received if calculations were based on the audited numbers • Allocations for the Network Operations Component are based on municipalities' Annual Operations Plans (to be submitted to DoT by 28 May 2021) which indicate the amount of the 2021/22 total allocation to be used within the rules of this component • Approval of these allocations is specified in the DoT allocation letter to municipalities and is based on the following rules: <ul style="list-style-type: none"> ○ DoT approval of the annual operations plan ○ the annual operations plan must be costed to meet specific operating targets per network phase to be achieved within the 2021/22 financial year in order to qualify for eligibility into the 2022/23 formula ○ the network operations component can be used in each phase and sub-phase of the introduction of services to fund up to 70 per cent of indirect operating costs for two years after the municipal financial year in which operations start. Thereafter the grant can fund up to 50 per cent. Non-PTNG sources must cover the remaining costs ○ compensation for the economic rights of existing operators can be funded up to 100 per cent in each phase
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Infrastructure and operational costs associated with the implementation of the Public Transport Strategy and NLTA were not included in municipal budgets prior to the introduction of IPTN services
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • R6.5 billion was allocated and R6.4 billion (98.6 per cent) was transferred to municipalities. • An amount of R98 million for Nelson Mandela Bay was withheld by the National Treasury under section 216 constitutional provisions <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • Buffalo City: 2.48km of Qumza Highway upgraded from a two lane into a four lane road, side walks on both sides of the road with total length of 4.96km • Cape Town: A cumulative total of 33.9 km of bi-directional dedicated BRT busway has been constructed and 31.5km is fully operational; All 42 IRT stations are complete and upgrades at Mitchells Plain PTI are complete and fully operational; 4 of the stations have been rendered inoperable due to significant damage inflicted during protest action and subsequent theft, All Phase 1A & 1B depots, i.e. Stables, Atlantis and the Inner City, are fully operational; A cumulative total of 778 bus stops are operational, 686 are complete and 82 temporary bus stops are planned for construction as part of future contracts of which 25 temporary bus stops in Mitchells Plain form part of the D04 Kapteinsklop extension (N2 Express) • Ekurhuleni: 80 percent of all ITS equipment procured i.e. validators & gates, Construction of the turn-around facilities at Winnie Mandela and Tembisa Hospital completed. Construction of feeder routes in Tembisa and Southern complimentary route to Vosloorus completed. Leralla interim depot construction (earthworks, layer works & surfacing, area lighting and fencing) completed. Construction of all pedestrian bridges completed, Construction of two of the five stream crossings completed. Business Value Surveys for Phase 1 A has been completed • eThekweni: Corridor 2 – 7 of 27 kilometers roadway and 4 of 14 stations completed; Corridor 3 – 24 of 26 kilometers and 14 of 17 stations completed; Existing depots and temporary terminus completed; Conversion of Scania busses completed; IFMS system installation – completed in 10 stations • George: Road rehabilitations on Caledon, Mission and Merriman streets completed, Installation of 14 new bus shelters together with 56 LED shelter lights on existing permanent shelters, Sidewalk improvements as

Public Transport Network Grant	
	<p>part of road rehabilitations completed, Traffic signals upgrade system on main corridors completed, New radio repeater, Hand held radio equipment procured for field monitors and Phase 4B route boundary fencing erected</p> <ul style="list-style-type: none"> • Johannesburg: Road rehabilitation for critical section concluded, BRT road rehabilitation completed, BRT stations rehabilitation completed, Phase 1C(a) network installation completed • Mangaung: Fort Hare Trunk Route Section 1: Construction progress 43 percent; Fort Hare Trunk Route Section 2: Construction Progress 27 percent; Chief Moroka Link - Construction Progress 19 percent; Moshoeshoe Trunk Route - Part A: Construction Progress 29 percent; Moshoeshoe Trunk Route - Part B: Construction Progress 19 percent; Bus Depot Phase 1 Civil Works Construction Progress 30 percent; Phase 1c Bus shelters and Stops -Detail Designs 100 percent complete • Mbombela: Dr Enos Mabuza - road widening to Hohana drive, construction 23 percent; Kaapschehoop Road Widening Phase 2 - Construction 10 percent; Univercity Public Transport Precinct (D725) - Construction 95 percent; Upgrade Bridge Structure at Kanyamazane EXT1 – Construction is at 35 percent; Expansion of Chris Hani Road - Kanyamazane - Construction is at 45 percent; Secondary PT Stops Riverside - Construction 100 percent; Secondary PT Stops Hazyview - Legogote - Construction 100 percent • Msunduzi: Upgrading, widening and re-alignment of the existing Moses Mabhida Road from 5.5 kilometers to 6.5kilometers to include BRT lanes and stations in the median – 12 percent complete; upgrading, widening and re-alignment of the existing Moses Mabhida Road from 6.5 kilometers to 7.5 kilometers to include BRT lanes and stations in the median – 53 percent complete; upgrading, widening and re-alignment of the existing Moses Mabhida Road from 7.5 kilometers to 8.8 kilometers to include BRT lanes and stations in the median – 76 percent complete • Nelson Mandela Bay: Upgrade of N2/Stanford road bridge and pedestrian bridge – practical completion in March 2020; Depot and Terminal – concept design 80 percent complete; Resurfacing of IPTN routes – 90 percent complete • Polokwane: Construction of trunk transitions – 95 percent complete, Installation of UTC on Nelson Mandela trunk – 99 percent complete, Renovation of the Daytime lay-over facility building – 70 percent complete, Main bus depot construction – 70 percent complete • Rustenburg: ITS Equipment on stations and buses – 10 percent completed; Interim Service Agreement, negotiations in progress – 50 percent completed; Conclusion of funding model for Buses Phase 1A – 100 percent complete • Tshwane: Belle-Ombre Phase 2 (overflow car park, electric fencing etc.) – 8 percent complete; Capital Park Bridges – 50 complete, Wonderboom Intermodal Facility Building Works – 55 percent complete, Completion of Wonderboom Temp Turn Around and Taxi Holding Area – 100 percent complete, Menlyn Taxi Interchange 50 percent complete, Atteridgeville taxi interchange – 42 percent complete
Projected life	<ul style="list-style-type: none"> • Grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R6.5 billion; 2022/23: R6.8 billion and 2023/24: R6.8 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with an agreed payment schedule approved by the National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Disburse PTNG funds and monitor PTNG expenditure • Monitor IPTN implementation progress and operating performance in line with the NLTA and the public transport strategy • Verify reports from municipalities by conducting at least one site visit per annum • Allocate funds based on stated priorities through an allocation mechanism agreed to by the DoT and National Treasury • Review and comment on draft compensation agreements for economic rights • Review and comment on the network model submitted by each municipality • Evaluate the performance of the grant annually • Maintain the database of operational performance based on the indicators and continue to track, report and evaluate the performance of the grant based on these measures • Finalise the public transport subsidy policy for South Africa • Develop cost norms for ITS and include these in the annual PTNG guidelines and requirements circulated to municipalities by DoT • Submit copies of allocation letters and milestones to National Treasury • Review the Public Transport Strategy to ensure its requirements enable municipalities to develop fiscally sustainable IPTN systems • Implement internal mechanisms to monitor adherence to grant conditions and manage the disbursements of the grant where there is non-compliance. Measures to address non-compliance include withholding transfers, as provided for in section 17 of the Division of Revenue Act (DoRA). If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of sections 18 and 19 of DoRA • DoT must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre

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	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Ensure that projects are implemented in line with approved business plans and are also reflected in the integrated development plan of the municipality. Additional plans that municipalities will need to complete include: <ul style="list-style-type: none"> ○ network operational plans, including universal design access plans ○ business and financial plans (including financial modelling, economic evaluation, and operator transition plans) ○ institutional network management plans ○ engineering and architectural preliminary and detailed designs ○ public transport vehicle and technology plans ○ marketing and communication plans • Projects funded by this grant must promote the integration of the public transport networks in a municipality, through: <ul style="list-style-type: none"> ○ physical integration between different services within a single network ○ fare integration between different services ○ marketing integration with unified branding ○ institutional integration between the services ○ spatial integration, in conjunction with other grants directed at the built environment • Provide budget proposals for the PTNG funding that: <ul style="list-style-type: none"> ○ are based on sound operational and financial plans that cover direct vehicle company operating costs from local sources at a minimum ○ indicate the intended allocations between the network operations component and network infrastructure component • Establish a dedicated project team to plan, manage and monitor infrastructure development and maintenance, as well as operations with an emphasis on optimising vehicle kilometres through full use of procured Intelligent Transport System tools • Compile and submit data that indicates the efficiency and effectiveness of operational services in the formats and using the indicators defined by the DoT
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Municipalities must submit business plans based on a fiscally and financially sustainable IPTN (or an agreed plan to compile this), supported by credible multi-year financial operational plans by 30 July 2021 which include plans for how all municipal owned bus services will be integrated into the 10-year IPTN programme • DoT and National Treasury will jointly evaluate these plans – based on pre-determined criteria regarding financial and fiscal sustainability and sufficient capacity – for the municipality’s eligibility for an allocation in the 2022/23 financial year • Municipalities that fail to pass the eligibility criteria will be informed by 27 August 2021 and may be asked to resubmit plans

Rural Roads Asset Management Systems Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 40)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> • Ensure efficient and effective investment in municipal roads through development of road asset management systems (RAMS), collection and analysis of data
Grant purpose	<ul style="list-style-type: none"> • To assist district municipalities to set up rural RAMS, and collect road, bridges and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa
Outcome statements	<ul style="list-style-type: none"> • Improved data on municipal roads to guide infrastructure maintenance and investments
Outputs	<ul style="list-style-type: none"> • Road condition data (paved and unpaved) as per prescribed Technical Methods for Highways (TMH-series) • Traffic data • Data on condition of structures (including bridges and culverts) as per prescribed Technical Methods for Highways (TMH 19 series) • Safety assessments data • Prioritised project list for roads to inform Municipal Infrastructure Grant project selection
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses Road Asset Management Business Plans which contain the following details: <ul style="list-style-type: none"> ○ network hierarchy ○ performance management framework ○ gap analysis ○ information systems ○ lifecycle planning ○ current and future demand ○ financial plan ○ monitoring ○ reviewing ○ plans for continual improvements including sharing data with local municipalities
Conditions	<ul style="list-style-type: none"> • Transfer of the first tranche is conditional on submission of an approved business plan by 28 May 2021 • Transfer of the second tranche is conditional on submission of evidence of engagements and sharing of data with local municipalities and compliance with monthly and quarterly signed report submissions to the national Department of Transport (DoT), and the relevant Provincial Roads Authorities • Road authorities must conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road inventory data • District municipalities must provide local municipalities with validated information from the condition data collected to enable municipalities to identify and prioritise road maintenance requirements within their own budgets, to improve the condition and extend the lifespan of road infrastructure • For Road Infrastructure Strategic Framework for South Africa Class R1, R2 and R3 roads, data collection requirements are: <ul style="list-style-type: none"> ○ visual condition data not older than two years for pavements and five years for bridges ○ instrumental pavement data for roughness, rut depth and macro texture not older than two years ○ instrumental pavement data for structural strength not older than five years ○ traffic data not older than three years • For Road Infrastructure Strategic Framework for South Africa Class R4 and R5 roads, data requirements are: <ul style="list-style-type: none"> ○ visual condition data not older than three years for pavements and five years for bridges ○ instrumental pavement data for roughness, rut depth and macro texture not older than four years on paved roads only ○ traffic data not older than five years • All road condition data collected must be submitted to the National DoT, and the relevant provincial roads authorities 30 September 2021 • This framework must be read in conjunction with the practice note as agreed to with the National Treasury • District municipalities must participate in grant management structures, including attending monthly and/or quarterly RRAMS progress as well as national meetings • A maximum of 5 per cent may be used for municipal costs incurred as part of coordination, project management and reporting by the district • District municipalities must appoint an independent assessor to assess a representative sample of all roads assessed (which is about 10 per cent of their assessed network) to confirm the correctness of the assessments made by the municipality • Municipalities must pass a council resolution in support of the technical assistance being provided • Grant funds may be spent on building the capacity of municipalities with respect to the purpose and outputs listed for this grant • Technical support to municipalities must include transfer of skills to municipal officials
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on the extent of road network and number of local municipalities within a district municipality
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant mainly for the provision of systems to collect data on traffic and conditions of municipal roads and structures
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R108 million was transferred to municipalities and 61.7 per cent was spent

Rural Roads Asset Management Systems Grant	
	<p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • 16 017 kilometres of paved road network, 21 644 kilometres of unpaved road network was assessed and 13568 structures identified by the programme in the district municipalities receiving the grant • 164 graduates were recruited into the programme
Projected life	<ul style="list-style-type: none"> • Grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2021/22: R110 million; 2022/23: R115 million and 2023/24: R115 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Monitoring implementation of RAMS together with provincial road authorities • Data integrity will be checked by DoT and provincial road authorities • Provide guidance on sustainable RAMS operations and standards • Facilitate interaction between local municipalities and district municipalities in using RAMS outputs as guidance in municipal road infrastructure management • Management, monitoring and reporting of the programme • Agree on RAMP with participating municipalities • Coordinate with the National Treasury to ensure that the capacity building activities of the two departments are complimentary • Submit reports which are consistent with the reporting requirements in the 2021 Division of Revenue Act • Ensure that municipal road authorities conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road inventory data • DoT must support municipalities with planning and implementation of municipal roads projects in terms of the conditions, standards and specifications applicable to this sector
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Municipalities must make provision to maintain RAMS after the lifespan of the grant • Municipalities must submit monthly reports that comply with the DoT and Treasury financial template as well as performance report by the 15th of every month • Submit completed quarterly performance report templates 30 days after the end of each quarter • Data for all rural roads to be updated within two years • Recruit unemployed youth, S3 experiential training students and young graduates • Ensure human capacity at municipalities for the operation of RAMS is built • Municipalities investing in roads infrastructure must utilise data from the rural RAMS where available, to identify and prioritise their investment on roads projects; including maintenance • Identify municipal officials that will be recipients of skills transfer • Ensure that municipal officials participate actively in all activities funded through this grant • Ensure systems and practices developed through this grant are sustained as part of the operations of the municipality • Submit updated RAMS data in TMH 18 format by 28 May 2021
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • District municipalities must submit a signed and approved Road Asset Management Plan (RAMP)/business plan to DoT by 31 May 2021 • RAMP must contain the following: <ul style="list-style-type: none"> ○ the extent of the road network in the municipality ○ the proportion of municipal roads with updated data captured on its RAMS ○ the condition of the network in the municipality ○ the maintenance and rehabilitation needs of the municipal road network ○ the status of the municipality's RAMS ○ status of institutionalisation of RAMS in the district municipality • TMH 22 RAMP guideline can be used as template • DoT together with provincial roads authorities will evaluate and approve the business plans and progress reports by 30 June 2021

WATER AND SANITATION GRANTS

Regional Bulk Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> • Water and Sanitation (Vote 41)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part B and Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> • Facilitate achievement of targets for access to bulk water and sanitation through successful execution and implementation of bulk projects of regional significance
Grant purpose	<ul style="list-style-type: none"> • To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance 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 implement bulk infrastructure with a potential of addressing water conservation and water demand management (WC/WDM) projects or facilitate and contribute to the implementation of local WC/WDM projects that will directly impact on bulk infrastructure requirements
Outcome statements	<ul style="list-style-type: none"> • Access to water supply enabled through regional bulk infrastructure • Proper wastewater management and disposal enabled through regional wastewater infrastructure
Outputs	<ul style="list-style-type: none"> • Number of regional bulk water and sanitation projects phases under construction • Number of projects/project phases completed • Number of households targeted to benefit from bulk water and sanitation supply • Number of municipalities benefitting from bulk water and sanitation projects • Number of job opportunities created through implementation of bulk infrastructure projects • Number of households provided with water and sanitation through local source development
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses approved implementation readiness studies (IRS) which include the following: <ul style="list-style-type: none"> ○ inception/scoping report ○ technical feasibility report ○ preliminary designs and cost estimates • Schedule 6, Part B projects are implemented through a memorandum of understanding (MoU) which contains cash flow, implementation milestones and specific funding conditions related to the project
Conditions	<ul style="list-style-type: none"> • The Regional Bulk Infrastructure Grant (RBIG) is intended to fund the social component of regional bulk water and sanitation projects approved by the Department of Water and Sanitation (DWS), unless exemptions based on affordability are recommended by DWS and approved by National Treasury • All identified projects must be referenced to and included in the municipal Integrated Development Plan (IDP) and Water Services Development Plans (WSDP) and show linkages to projects under the Municipal Infrastructure Grant (MIG) and/or the Water Services Infrastructure Grant (WSIG) • Funds may only be used for drought relief interventions based on a business plan approved by DWS • To respond to the COVID-19 pandemic: <ul style="list-style-type: none"> ○ funds may be used to implement source development or bulk linkage projects to replace the need for water trucking ○ municipalities must submit a separate business plan for this spending <p>Schedule 5, Part B allocations</p> <ul style="list-style-type: none"> • The municipality must spend grant funds in line with the IRS and detailed designs approved by DWS • The municipality must submit monthly financial and quarterly non-financial reports to DWS on stipulated dates • Municipalities must spend at least 25 per cent of their first transfer by the end of September 2021 and comply with reporting provisions before the second transfer is made • Municipalities must spend at least 40 per cent of their total RBIG allocations by 31 December 2021 before the subsequent transfer is made • Municipalities must spend at least 50 per cent of their total RBIG allocations before the final transfer is made • Grant funds must be reflected in the capital budget of the municipality • All sources of funding for the cost of the project must be clearly outlined in the approved IRS <p>Schedule 6, Part B allocations</p> <ul style="list-style-type: none"> • This grant can be used to build enabling infrastructure required to connect or protect water resources over significant distances with bulk and reticulation systems • The financing plan with associated co-funding agreements must be in place prior to implementation of the project unless exemption to co-funding requirements has been approved by National Treasury • All sources of funding for the full cost of the project must be outlined in the IRS and the MoU • The IRS and MoU must be approved by DWS and endorsed through a council resolution of the benefiting municipality • All projects must be implemented and transferred in line with the approved IRS and detailed designs
Allocation criteria	<ul style="list-style-type: none"> • Projects are assessed individually, and allocations are made by DWS on a project basis, taking into account the following factors: <ul style="list-style-type: none"> ○ demand and availability of water ○ the overall infrastructure needs ○ the strategic nature of the project ○ socio-economic importance of an area ○ impact of the project

Regional Bulk Infrastructure Grant	
	<ul style="list-style-type: none"> This grant is only allocated to Water Services Authorities (local and district municipalities)
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> Regional bulk projects are closely linked to water resource planning and development, which is a DWS competency Projects may cross municipal boundaries
Past performance	<p>2019/20 audited financial outcome</p> <ul style="list-style-type: none"> Of an approved revised budget allocation (Schedule 5, Part B) of R2 billion; R2.7 billion (98 per cent) was transferred Of an approved revised budget allocation (Schedule 6, Part B) of R3.2billion; R2.7 billion (84 per cent) was spent <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> Thirteen (13) projects and phases were completed: Stellenbosch Waste Water Treatment Works Phase 1 of 2; Potchefstroom(Tlokwe) Waste Water Treatment Works upgrade Phase 2; Upgrading of Deneysville WWTW Phase 1 of 2; Jagersfontein /Fauresmith Bulk Water Supply Phase 2; Williston Bulk Water Supply; Marydale Bulk Water Supply; Umshwathi Regional Bulk Scheme Phase 3; James Kleynhans Bulk Water Supply Phase 1; Van Wyksvlei Groundwater Phase 1 of 2; Pongolapoort (Jozini) Bulk Water Scheme; Polokwane Bulk Water Services phase1; Empuluzi and Methula Bulk water scheme Phase 3A of 8; and Empuluzi and Methula Bulk water scheme Phase 4A of 8;79 project phases were in construction
Projected life	<ul style="list-style-type: none"> Grant continues until 2023/24, subject to review
MTEF allocations	<p>Direct transfers (Schedule 5, Part B):</p> <ul style="list-style-type: none"> 2021/22: R2.2 billion; 2022/23: R2.3 billion and 2023/24: R2.4 billion <p>Allocations-in-kind (Schedule 6, Part B):</p> <ul style="list-style-type: none"> 2021/22: R3.3 billion; 2022/23: R3.6 billion and 2023/24: R3.6 billion
Payment schedule	<ul style="list-style-type: none"> Transfers for Schedule 5, Part B allocations are made in terms of a payment schedule approved by National Treasury Payments for Schedule 6, Part B allocations are made after verification of work performed
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Support the development of Water Services Authorities' (WSAs) water services infrastructure master plans Ensure every municipality benefiting from a specific project or scheme is invited to participate in the feasibility study, IRS and construction Enter into an MoU with WSAs regarding the construction, ownership, funding arrangements, and operation and maintenance of proposed infrastructure prior to the commencement of construction If required, ensure the necessary authorisations including environmental impact assessment and water use licences are obtained Ensure that the land assessment is done prior to project implementation Provide detailed information on the selection criteria and conditions for the grant (RBIG Programme Implementation Framework) Ensure that suitable agreements in terms of operation and maintenance are in place Issue project funding approval letters to benefiting municipalities Ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates Make payments of Schedule 6, Part B allocations to DWS's contracted implementing agents based on invoices for work done Report separately on the use of funds for COVID-19 response, in line with the requirements of section 10 of the Division of Revenue Act and share this information with the National Disaster Management Centre <p>Responsibilities of water services authorities</p> <ul style="list-style-type: none"> Develop and regularly update water services infrastructure master plans Submit monthly, quarterly and annual progress reports to DWS Ensure that projects are appropriately linked to the municipality's water services infrastructure master plans, their IDP and WSDP and projects funded through the MIG and WSIG Once a project is completed, ensure adherence to operations and maintenance plans and/or any other requirements agreed to as part of the funding agreement contained in the MoU, and ensure the sustainability of infrastructure Ensure integration of planning, funding, timing and implementation of bulk and reticulation projects Ensure provision of reticulation services and/or reticulation infrastructure to connect to the bulk infrastructure funded through this grant
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> Due to the long-term nature of projects, dates of the various processes are not fixed All proposed projects which comply with the RBIG criteria must be registered and listed in DWS's bulk master plans At regional level, a coordination committee of key stakeholders to assist with planning of regional bulk projects and the assessment of the IRS and feasibility studies must be in place Pre-feasibility studies must assess potential for WC/WDM interventions IRS and feasibility studies will be evaluated and approved by the transferring officer Based on the outcome of the IRS, DWS will nominate the implementing agent for the construction phase of Schedule 6, Part B projects and designate the owner of the infrastructure. National Treasury and benefitting municipalities will be informed of the decisions Projects requiring co-funding exemptions to be submitted to DWS by 30 July 2021 and DWS to submit the requests to National Treasury by 31 August 2021

Water Services Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Water and Sanitation (Vote 41)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B and Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> To provide water and sanitation services and reduce backlogs
Grant purpose	<ul style="list-style-type: none"> Facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities Provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development Support municipalities in implementing water conservation and water demand management (WC/WDM) projects Support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas Support drought relief projects in affected municipalities
Outcome statements	<ul style="list-style-type: none"> An increased number of households with access to reliable, safe drinking water and sanitation services
Outputs	<ul style="list-style-type: none"> Number of households provided with water and sanitation through: <ul style="list-style-type: none"> reticulated water supply on site sanitation bucket systems replaced with appropriate sanitation facilities for households identified by the Department of Water and Sanitation (DWS) in the 2015/16 verification process source identification water conservation/water demand management provision Number of Water Services Infrastructure Grant (WSIG) projects under construction Number of WSIG projects completed Number of households reached by health and hygiene awareness and end-user education Number of job opportunities created through implementation of water and sanitation projects
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 4: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Project overview Project costing Project milestones Impact declaration Schedule 6, Part B projects are implemented through a memorandum of understanding (MoU) which contains cash flow, implementation milestones and specific funding conditions related to the project
Conditions	<ul style="list-style-type: none"> All project scope funded must be aligned to, and not duplicate, any existing or planned projects funded by other conditional grants or municipal own funds Municipalities must demonstrate in their business plans how they plan to manage, operate and maintain the infrastructure over the long term The maximum allocation for WSIG projects is R50 million, any project above this threshold is to be funded in the Regional Bulk Infrastructure Grant Projects should ideally be implemented over a year and the maximum period that a project can be implemented is three years Projects must be aligned to bulk infrastructure and must be at the scheme level <p>Schedule 5, Part B allocations</p> <ul style="list-style-type: none"> Municipalities must submit business plans signed-off by their Accounting Officer in line with their Water Services Development Plans (WSDPs) and Integrated Development Plans (IDPs) DWS must approve the business plans before projects can be implemented Water Service Authorities (WSAs) may only spend funds in line with approved business plans Municipalities must spend at least 25 per cent of their first transfer and comply with the reporting provisions before the second and subsequent transfers are made Municipalities must spend at least 40 per cent of their total WSIG transferred allocation by 31 December 2021 and comply with the reporting provisions before further transfers are made WSAs must submit monthly financial and quarterly non-financial reports to DWS Funds must be reflected in the capital budget of the municipality Grant funds must not be spent on operations and routine maintenance The Project Management Unit funded through the Municipal Infrastructure Grant should be utilised to manage the implementation of projects funded through this grant Funds may only be used for drought relief interventions based on a plan approved by DWS <p>Schedule 6, Part B allocations</p> <ul style="list-style-type: none"> Municipal accounting officers must sign-off that business plans are in line with their WSDP/IDP DWS must approve the business plans before projects can be implemented DWS must enter into an MoU with the relevant municipality before any project is implemented
Allocation criteria	<ul style="list-style-type: none"> Allocations are based on the number of households with water and sanitation backlogs, prioritising the 27 priority district municipalities identified by government
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The grant is earmarked for specific projects aimed at providing access to basic water and sanitation services

Water Services Infrastructure Grant	
Past performance	<p>2019/20 audited financial outcomes</p> <ul style="list-style-type: none"> • Water Services Infrastructure Grant (Schedule 5, Part B): <ul style="list-style-type: none"> ○ of the R3.6 billion allocated, R3.6 billion (100 per cent) was transferred • Water Services Infrastructure Grant (Schedule 6, Part B): <ul style="list-style-type: none"> ○ of the R644 million allocated, R432 million (67 per cent) was spent <p>2019/20 service delivery performance</p> <ul style="list-style-type: none"> • Water Services Infrastructure Grant: <ul style="list-style-type: none"> ○ 28 031 households served ○ 108 jobs created
Projected life	<ul style="list-style-type: none"> • Grant continues until 2023/24, subject to review
MTEF allocations	<p>Direct transfers (Schedule 5, Part B):</p> <ul style="list-style-type: none"> • 2021/22: R3.6 billion; 2022/23: R3.7 billion and 2023/24: R3.9 billion <p>Allocations-in-kind (Schedule 6, Part B):</p> <ul style="list-style-type: none"> • 2021/22: R730 million; 2022/23: R771 million and 2023/24: R805 million
Payment schedule	<ul style="list-style-type: none"> • For Schedule 5, Part B, transfers are made in accordance with a payment schedule approved by National Treasury • For Schedule 6, Part B, payments are made to contracted implementing agents (including water boards and private service providers) after verification of work performed
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Evaluate and approve the business plans for each project before funds can be transferred • Ensure that the conditions of the grant and approved business plans are adhered to • Submit statutory reports (monthly financial, quarterly non-financial and annual performance) to National Treasury • Ensure that implementing agents submit monthly financial and quarterly non-financial reports • Ensure alignment of WSIG projects with projects approved in the MIG implementation plans • In cases where DWS appoints a contractor, the contract between DWS and the appointed contractor must be signed before the project can commence • All drought-related plans and expenditure must be shared with the National Disaster Management Centre • Submit a water services capacity building plan for municipalities to National Treasury by 25 June 2021 • Report separately on the use of funds for COVID-19 response, in line with the requirements of section 10 of the Division of Revenue Act and share this information with the National Disaster Management Centre <p>Responsibilities of water services authorities</p> <ul style="list-style-type: none"> • Compile and submit signed-off business plans for each project (for the relevant financial year) • Sustainably operate and maintain funded water and sanitation projects over their lifetime • Ensure integrated planning for all projects funded through the different grants and programmes • Municipalities must submit a technical report for each project to the regional office • Ensure adequate participation and involvement of the public in each project • Manage project implementation in line with the business plan • Submit monthly, quarterly and annual progress reports in the format prescribed by DWS • Comply with all the funding conditions agreed to in the business plan and MoU
Process for approval of 2022/23 business plans	<ul style="list-style-type: none"> • Municipalities must submit a technical report for each project to the regional office • Regional offices must assess and approve technical reports • Municipalities must prepare business plans based on the approved technical reports • Business plans for Schedule 5, Part B allocations: <ul style="list-style-type: none"> ○ business plans must be submitted by 12 November 2021 ○ business plans must be approved by 31 January 2022 • Business plans for Schedule 6, Part B allocation: <ul style="list-style-type: none"> ○ business plans must be submitted by 12 November 2021 ○ business plans must be approved by 31 January 2022 • Municipalities must submit implementation plans by 28 May 2021

ANNEXURE W4

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

(National and Municipal Financial Years)

ANNEXURE W4

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

Category	Municipality	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities				Programme and Project Preparation Support Grant				SUB-TOTAL: CURRENT ¹		
		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		
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	
FREE STATE																
A	MAN Mangang	-	-	2 100	2 200	1 316	-	-	-	6 934	7 332	-	-	10 350	9 432	9 855
B	FS161 Lebeng	-	-	2 850	3 000	1 124	-	-	-	-	-	-	-	3 974	3 000	3 000
B	FS162 Kopanong	-	-	2 200	2 300	1 202	-	-	-	-	-	-	-	3 402	2 300	2 300
B	FS163 Mokokare	-	-	2 850	3 000	1 131	-	-	-	-	-	-	-	3 981	3 000	3 000
C	DC16 Xhariep District Municipality	-	-	1 650	1 720	1 144	-	-	-	-	-	-	-	2 794	1 720	1 720
	Total: Xhariep Municipalities	-	-	9 550	10 020	4 601	-	-	-	-	-	-	-	14 151	10 020	10 020
B	FS181 Mafikeng	-	-	2 450	2 650	1 075	-	-	-	-	-	-	-	3 525	2 650	2 650
B	FS182 Tokologo	-	-	2 850	3 000	-	-	-	-	-	-	-	-	2 850	3 000	3 000
B	FS183 Tsvelopole	-	-	2 100	2 100	985	-	-	-	-	-	-	-	3 085	2 100	2 100
B	FS184 Majahabeng	-	-	3 100	3 100	2 964	-	-	-	-	-	-	-	6 064	3 100	3 100
B	FS185 Nala	-	-	3 100	3 100	1 010	-	-	-	-	-	-	-	4 110	3 100	3 100
C	DC18 Lepellekops District Municipality	-	-	1 000	1 000	1 178	-	-	-	-	-	-	-	2 178	1 000	1 000
	Total: Lepellekops Municipalities	-	-	14 600	14 950	7 212	-	-	-	-	-	-	-	21 812	14 950	14 950
B	FS191 Seiso	-	-	2 100	2 200	1 989	-	-	-	-	-	-	-	4 089	2 200	2 200
B	FS192 Dikhabeng	-	-	2 650	2 750	5 176	-	-	-	-	-	-	-	7 826	2 750	2 750
B	FS193 Nkomo	-	-	2 650	2 850	1 075	-	-	-	-	-	-	-	3 725	2 850	2 850
B	FS194 Mafuca-Phofung	-	-	3 100	3 100	6 232	-	-	-	-	-	-	-	9 332	3 100	3 100
B	FS195 Phumela	-	-	3 100	3 100	1 180	-	-	-	-	-	-	-	4 280	3 100	3 100
B	FS196 Mantsopa	-	-	3 100	3 100	1 134	-	-	-	-	-	-	-	4 234	3 100	3 100
C	DC19 Thabo Mofutsanyana District Municipality	-	-	2 300	2 300	5 548	-	-	-	-	-	-	-	7 848	2 300	2 300
	Total: Thabo Mofutsanyana Municipalities	-	-	19 000	19 400	22 334	-	-	-	-	-	-	-	41 334	19 400	19 400
B	FS201 Mopela	-	-	2 200	2 300	1 392	-	-	-	-	-	-	-	3 592	2 300	2 300
B	FS203 Nquthu	-	-	3 000	3 100	1 672	-	-	-	-	-	-	-	4 672	3 100	3 100
B	FS204 Metsimaholo	-	-	2 650	2 750	1 622	-	-	-	-	-	-	-	4 272	2 750	2 750
B	FS205 Mafube	-	-	3 100	3 100	1 075	-	-	-	-	-	-	-	4 175	3 100	3 100
C	DC20 Fezile Dabi District Municipality	-	-	1 200	1 300	-	-	-	-	-	-	-	-	1 200	1 300	1 300
	Total: Fezile Dabi Municipalities	-	-	12 150	12 550	5 761	-	-	-	-	-	-	-	17 911	12 550	12 550
	Total: Free State Municipalities	-	-	57 400	59 020	41 224	-	-	-	6 934	7 332	-	-	105 558	66 352	66 775
GAUTENG																
A	EKU City of Ekurhuleni	-	-	1 000	1 000	20 669	-	-	-	57 595	60 898	-	-	79 264	61 898	64 582
A	JHB City of Johannesburg	7 500	7 500	1 000	1 000	8 529	-	-	80 361	84 969	88 714	-	-	97 390	93 469	97 214
A	TSH City of Tshwane	-	-	2 100	2 200	19 031	-	-	55 375	58 551	61 132	-	-	76 506	60 751	63 332
B	GT421 Enidleni	-	-	2 100	2 200	3 360	-	-	-	-	-	-	-	5 460	2 200	2 200
B	GT422 Midvaal	-	-	1 550	1 550	1 519	-	-	-	-	-	-	-	3 089	1 550	1 550
B	GT423 Lesedi	-	-	1 750	1 950	1 100	-	-	-	-	-	-	-	2 850	1 950	1 950
C	DC42 Seiberg District Municipality	-	-	1 200	1 400	1 023	-	-	-	-	-	-	-	2 223	1 400	1 400
	Total: Seiberg Municipalities	-	-	6 600	7 100	7 022	-	-	-	-	-	-	-	13 622	7 100	7 100
B	GT481 Mogale City	-	-	1 550	1 650	7 702	-	-	-	-	-	-	-	9 252	1 650	1 700
B	GT484 Meratong City	-	-	2 550	2 850	-	-	-	-	-	-	-	-	2 550	2 850	2 850
B	GT485 Rand West City	-	-	2 200	2 300	2 933	-	-	-	-	-	-	-	5 133	2 300	2 300
C	DC48 West Rand District Municipality	-	-	1 000	1 200	1 090	-	-	-	-	-	-	-	2 090	1 200	1 200
	Total: West Rand Municipalities	-	-	7 300	8 000	11 725	-	-	-	-	-	-	-	19 025	8 000	8 050
	Total: Gauteng Municipalities	7 500	7 500	18 000	19 300	66 976	-	-	193 331	204 418	-	-	285 807	231 218	240 278	

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

Category	Municipality	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Programme and Project Preparation Support Grant		SUB-TOTAL: CURRENT	
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)
KWAZULU-NATAL											
A	EThekweni	33 500	34 500	1 000	1 000	1 000	1 000	81 691	49 949	166 140	89 314
B	KZN213 uMkosi	-	-	1 950	1 950	1 950	1 950	1 976	-	3 926	1 950
B	KZN214 uMhlabisa	-	-	1 850	1 850	1 850	1 850	1 636	-	3 506	1 850
B	KZN214 uMgungahlobo	-	-	1 850	1 850	1 850	1 850	860	-	2 839	1 850
B	KZN216 Bay St. Ntumeni	-	-	1 950	1 950	1 950	1 950	5 558	-	7 508	1 950
C	DC21 Ugu District Municipality	-	-	1 750	1 950	1 950	3 611	3 611	-	5 361	1 950
Total Ugu Municipalities		-	-	9 500	9 500	9 500	9 500	13 783	-	23 133	9 500
B	KZN221 uMkwabi	-	-	1 920	1 920	1 920	1 920	1 376	-	3 296	1 920
B	KZN222 uMgeni	-	-	1 720	1 720	1 720	1 720	880	-	2 700	1 720
B	KZN223 uMhlabisa	-	-	2 000	2 000	2 000	2 000	1 316	-	3 000	2 000
B	KZN224 uMhlabisa	-	-	1 900	1 900	1 900	1 900	1 321	-	2 821	1 900
B	KZN225 uMhlabisa	-	-	1 900	1 950	1 950	1 950	3 516	-	5 416	1 950
B	KZN226 uMhlabisa	-	-	2 850	3 000	3 000	3 000	1 329	-	4 179	3 000
B	KZN227 Richmond	-	-	1 850	1 950	1 950	1 950	1 101	-	2 951	1 950
C	DC22 uMgungahlobo District Municipality	-	-	1 000	1 200	1 200	2 299	2 299	-	3 299	1 200
Total uMgungahlobo District Municipality		-	-	16 500	17 140	17 140	17 140	12 958	-	29 298	17 140
B	KZN235 Okhambana	-	-	1 850	1 850	1 850	1 850	2 513	-	4 363	1 850
B	KZN237 Nsoke Langabalele	3 500	4 500	2 100	2 300	2 300	2 114	2 114	-	4 214	2 300
B	KZN238 uMhlabisa	-	-	1 850	1 850	1 850	1 850	1 316	-	3 000	1 850
C	DC23 uMhlabisa District Municipality	-	-	1 850	2 100	2 100	3 516	3 516	-	5 466	2 100
Total uMhlabisa District Municipality		3 500	4 500	7 850	8 350	8 350	12 266	12 266	-	23 666	8 350
B	KZN241 eMsimeni	-	-	2 100	2 100	2 100	2 100	1 589	-	3 689	2 100
B	KZN242 Ngqweni	-	-	1 850	1 850	1 850	1 260	1 260	-	3 110	1 850
B	KZN244 uMgeni	-	-	1 850	1 850	1 850	3 989	3 989	-	5 839	1 850
B	KZN245 uMveni	-	-	2 550	2 550	2 550	2 550	2 550	-	5 250	2 550
C	DC24 uMgeni District Municipality	-	-	1 800	1 850	1 850	4 841	4 841	-	6 591	1 850
Total uMgeni District Municipality		-	-	9 900	10 200	10 200	11 079	11 079	-	21 579	10 200
B	KZN252 Newcastle	-	-	1 850	1 850	1 850	2 948	2 948	-	4 598	1 850
B	KZN253 eMdlantsi	-	-	2 850	3 000	3 000	3 000	3 000	-	2 850	3 000
B	KZN254 Darnhauser	-	-	1 850	1 950	1 950	1 693	1 693	-	1 850	1 950
C	DC25 Amajuba District Municipality	-	-	2 550	2 750	2 750	2 750	2 750	-	4 243	2 750
Total Amajuba District Municipality		-	-	8 900	9 500	9 500	14 641	14 641	-	13 541	9 500
B	KZN261 eThekweni	-	-	2 900	3 000	3 000	3 000	1 231	-	4 131	3 000
B	KZN262 uMgungahlobo	-	-	2 600	3 000	3 000	2 514	2 514	-	3 000	3 000
B	KZN263 uMhlabisa	-	-	1 920	2 000	2 000	1 868	1 868	-	3 788	2 000
B	KZN265 Nongoma	-	-	1 950	2 100	2 100	3 660	3 660	-	5 610	2 100
B	KZN266 Umtata	-	-	1 300	1 200	1 200	9 612	9 612	-	10 812	1 200
C	DC26 Zululand District Municipality	-	-	13 520	14 300	14 300	21 390	21 390	-	34 910	14 300
Total Zululand District Municipality		-	-	33 520	34 300	34 300	51 390	51 390	-	69 600	34 300
B	KZN271 uMhlabiyongana	-	-	1 850	1 850	1 850	1 759	1 759	-	3 609	1 850
B	KZN272 Jozini	-	-	2 850	3 000	3 000	2 286	2 286	-	6 146	3 000
B	KZN275 uMhlabisa	-	-	1 720	1 720	1 720	1 408	1 408	-	2 808	1 720
C	DC27 uMhlabiyongana District Municipality	-	-	1 950	2 100	2 100	5 866	5 866	-	7 796	2 100
Total uMhlabiyongana District Municipality		-	-	11 120	11 712	11 712	13 474	13 474	-	24 594	11 712
B	KZN281 uMkosi	-	-	1 850	1 850	1 850	1 557	1 557	-	3 407	1 850
B	KZN282 uMhlabisa	-	-	2 450	2 500	2 500	3 417	3 417	-	5 867	2 500
B	KZN284 uMhlabisi	-	-	1 720	1 720	1 720	3 416	3 416	-	5 136	1 720
B	KZN285 uMhlabisa	-	-	2 650	2 850	2 850	1 891	1 891	-	4 541	2 850
B	KZN286 Ntanda	-	-	2 650	2 650	2 650	4 552	4 552	-	5 202	2 650
C	DC28 uMhlabisa District Municipality	-	-	12 520	12 700	12 700	10 452	10 452	-	30 972	12 700
Total uMhlabisa District Municipality		-	-	32 520	32 700	32 700	40 452	40 452	-	58 972	32 700
B	KZN291 Mandeni	-	-	1 850	1 850	1 850	2 435	2 435	-	4 285	1 850
B	KZN292 KwaDukuza	-	-	1 750	1 750	1 750	1 732	1 732	-	3 482	1 750
B	KZN293 Ndabehwe	-	-	3 000	3 100	3 100	2 412	2 412	-	5 412	3 100
B	KZN294 Mqumbane	-	-	1 850	1 850	1 850	1 786	1 786	-	3 636	1 850
C	DC29 uMhlabisa District Municipality	-	-	1 000	1 000	1 000	6 363	6 363	-	7 363	1 000
Total uMhlabisa District Municipality		-	-	9 450	9 500	9 500	14 728	14 728	-	24 178	9 500
B	KZN433 Greater KwaZulu	-	-	1 920	1 950	1 950	2 131	2 131	-	6 178	1 950
B	KZN434 uMhlabisa	-	-	1 920	1 950	1 950	1 950	1 950	-	4 051	1 950
B	KZN435 uMhlabisa	-	-	1 850	1 850	1 850	3 377	3 377	-	5 227	1 850
B	KZN436 Dr. Nicksonzwa Dlamini/Zuma	-	-	1 950	1 950	1 950	2 323	2 323	-	4 273	1 950
C	DC43 uMhlabisa District Municipality	-	-	1 200	1 200	1 200	4 596	4 596	-	5 796	1 200
Total uMhlabisa District Municipality		-	-	8 670	8 700	8 700	17 065	17 065	-	25 725	8 700
Total KwaZulu-Natal Municipalities		37 000	39 000	108 620	112 772	112 830	222 137	222 137	-	417 906	207 472

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

Category	Municipality	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Programme and Project Preparation Support Grant		SUB-TOTAL: CURRENT	
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)
LMPOPO											
B	LMS31 Greater Giyani	-	-	2 200	2 400	2 400	2 400	-	-	6 000	2 400
B	LMS32 Greater Letaba	-	-	2 000	2 000	2 000	2 000	-	-	3 918	2 000
B	LMS33 Greater Tzaneen	-	-	2 000	2 000	2 000	2 000	-	-	10 463	2 000
B	LMS34 Boputhatona	-	-	3 100	3 100	3 100	3 100	-	-	4 295	3 100
B	LMS35 Mankweng	-	-	1 850	1 850	1 850	1 850	-	-	3 025	1 850
C	DC33 Mopani District Municipality	-	-	3 000	3 000	3 000	3 000	-	-	13 029	3 000
	Total Mopani Municipalities	-	-	14 050	14 350	14 350	14 350	-	-	40 781	14 350
B	LMS41 Muela	-	-	2 850	3 000	3 000	3 000	-	-	4 565	3 000
B	LMS42 Muela	5 500	5 500	2 850	3 000	3 000	3 000	-	-	13 205	3 000
B	LMS43 Muela	-	-	1 850	1 850	1 850	1 850	-	-	4 130	1 850
B	LMS44 Muela	-	-	2 450	2 550	2 550	2 550	-	-	4 234	2 550
B	LMS45 Collins Chabane	-	-	2 400	2 500	2 500	2 500	-	-	5 145	3 000
C	DC34 Vhembe District Municipality	-	-	11 700	12 150	12 150	12 150	-	-	31 293	17 150
	Total Vhembe Municipalities	5 500	5 500	11 700	12 150	12 150	12 150	-	-	31 293	17 150
B	LMS51 Bhebe	-	-	2 400	2 400	2 400	2 400	-	-	3 666	2 400
B	LMS53 Moteng	-	-	2 300	2 300	2 300	2 300	-	-	3 729	2 300
B	LMS54 Polokwane	6 217	6 446	2 400	2 400	2 400	2 400	-	-	16 588	8 846
B	LMS55 Lepelle-Sekake	-	-	1 000	1 000	1 000	1 000	-	-	1 000	1 000
C	DC35 Waterberg District Municipality	-	-	1 100	1 100	1 100	1 100	-	-	4 866	1 000
	Total Capricorn Municipalities	6 217	6 446	10 100	10 100	10 100	10 100	-	-	32 818	16 546
B	LMS61 Thabazimbi	-	-	3 100	3 100	3 100	3 100	-	-	4 356	3 100
B	LMS62 Lephalale	-	-	1 650	1 650	1 700	1 220	-	-	2 870	1 650
B	LMS66 Beke-Beke	-	-	1 650	1 650	1 700	1 353	-	-	3 003	1 650
B	LMS67 Mogalakwena	-	-	2 000	2 000	2 100	1 292	-	-	3 242	2 100
B	LMS68 Mopani-Mookgongong	-	-	2 600	2 600	2 600	2 245	-	-	4 845	2 600
C	DC36 Waterberg District Municipality	-	-	11 550	12 350	12 350	7 360	-	-	19 300	12 350
	Total Waterberg Municipalities	-	-	11 550	12 350	12 350	7 360	-	-	32 818	16 546
B	LMS71 Ephraim Mngale	-	-	3 100	3 100	3 100	3 100	-	-	4 295	3 100
B	LMS72 Elias Mosekedi	-	-	2 650	2 850	2 850	2 199	-	-	4 849	2 850
B	LMS73 Makhotlong	-	-	1 650	1 720	1 825	1 225	-	-	3 475	1 720
B	LMS76 Ficksburg	-	-	2 400	2 550	2 550	1 688	-	-	4 088	2 550
C	DC37 Sakhahlane District Municipality	-	-	2 300	2 400	2 400	8 180	-	-	10 480	2 400
	Total Sakhahlane Municipalities	-	-	12 100	12 820	12 820	15 087	-	-	27 187	12 620
	Total Limpopo Municipalities	11 717	11 446	11 500	59 900	61 370	61 370	-	-	151 398	78 816
MPUMALANGA											
B	MP301 Chief Albert Luthuli	-	-	2 000	2 000	2 000	2 000	-	-	3 391	2 000
B	MP302 Mkhambatheni	-	-	3 000	3 000	3 000	1 986	-	-	4 988	3 000
B	MP303 Mkhondo	-	-	3 000	3 100	3 100	2 211	-	-	5 211	3 100
B	MP304 Dr Pule M. I. Sene	-	-	2 450	2 450	2 450	1 059	-	-	3 509	2 450
B	MP305 Leka	-	-	2 650	2 650	2 650	2 471	-	-	4 121	2 650
B	MP306 Gert Sibande	24 500	24 000	2 100	2 100	2 100	1 677	-	-	28 277	26 100
C	DC30 Gert Sibande District Municipality	13 500	13 300	19 000	19 000	19 000	2 752	-	-	17 252	14 300
	Total Gert Sibande Municipalities	38 000	37 300	36 537	36 537	36 537	14 032	-	-	72 022	56 707
B	MP311 Viewers Quay	-	-	1 720	1 850	1 850	3 191	-	-	4 911	1 850
B	MP312 Ermaloken	-	-	3 000	3 000	3 000	6 015	-	-	9 015	3 000
B	MP313 Steve Tshwete	-	-	1 650	1 650	1 700	4 590	-	-	6 240	1 700
B	MP314 Enabatheni	-	-	2 900	2 900	2 900	1 307	-	-	4 207	2 900
B	MP315 Mankweng	-	-	2 450	2 450	2 450	1 317	-	-	3 767	2 450
B	MP316 Mankweng	-	-	2 450	2 450	2 450	1 485	-	-	3 901	2 450
C	DC31 Mankweng District Municipality	-	-	1 000	1 000	1 000	2 551	-	-	3 551	1 000
	Total Mankweng Municipalities	-	-	14 440	14 470	14 470	21 222	-	-	35 672	14 470
B	MP321 Thaba Chweni	-	-	3 000	3 000	3 000	1 836	-	-	4 836	3 000
B	MP324 Mkhomani	-	-	1 770	1 770	1 770	6 125	-	-	7 895	1 770
B	MP325 Butha Buthe	-	-	2 650	2 650	2 650	5 379	-	-	8 029	2 650
B	MP326 City of Mthatha	-	-	2 530	2 600	2 600	7 036	-	-	9 586	2 600
C	DC32 Umzimandaba District Municipality	-	-	6 000	6 000	6 000	3 214	-	-	14 586	6 000
	Total Butha Buthe Municipalities	-	-	10 970	11 070	11 070	21 201	-	-	34 580	11 070
	Total Mpumalanga Municipalities	38 000	37 300	36 537	44 410	44 940	45 000	-	-	142 284	82 240

ANNEXURE W4

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

Category	Municipality	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Programme and Project Preparation Support Grant		SUB-TOTAL: CURRENT	
		2021/22 (R000)	2022/23 (R000)	2021/22 (R000)	2022/23 (R000)	2021/22 (R000)	2022/23 (R000)	2021/22 (R000)	2022/23 (R000)	2021/22 (R000)	2022/23 (R000)
NORTHERN CAPE											
B	NC061 Richtersveld	-	-	2 650	2 650	2 650	2 650	-	-	2 650	2 650
B	NC062 Sani's Kloof	-	-	3 000	3 000	3 000	3 000	-	-	4 169	3 000
B	NC064 Kamiesberg	-	-	3 000	3 000	3 000	3 000	-	-	4 075	3 000
B	NC065 Hanam	-	-	1 920	1 920	1 920	1 920	-	-	3 487	1 920
B	NC066 Karoo Hoopland	-	-	2 650	2 650	2 650	2 650	-	-	2 650	2 650
B	NC067 Kiba-Ma	-	-	2 900	2 900	2 900	2 900	-	-	2 900	2 900
C	DC5 Namaqualand District Municipality	-	-	2 000	2 000	2 000	2 000	-	-	2 000	2 000
	Total Northern Cape Municipalities	-	-	18 120	18 120	18 120	18 120	-	-	21 931	18 420
B	NC071 Uitenhage	-	-	2 800	2 800	2 800	2 800	-	-	2 800	2 800
B	NC072 Uitenhage	-	-	1 920	1 920	1 920	1 920	-	-	2 895	1 920
B	NC073 Erasmussen	-	-	1 700	1 850	1 850	1 850	-	-	3 089	1 850
B	NC074 Kamiesberg	-	-	2 650	2 850	2 850	2 850	-	-	3 630	2 850
B	NC075 Rensselaersburg	-	-	3 000	3 000	3 000	3 000	-	-	4 075	3 000
B	NC076 Theunissen	-	-	3 000	3 000	3 000	3 000	-	-	4 087	3 000
B	NC077 Sijelwastra	-	-	3 000	3 000	3 000	3 000	-	-	3 000	3 000
B	NC078 Sijelwastra	-	-	1 650	1 650	1 650	1 650	-	-	2 725	1 650
C	DC7 Pletzi Ka-Sena District Municipality	-	-	22 120	22 570	22 570	22 570	-	-	30 470	23 870
	Total Pletzi Ka-Sena Municipalities	-	-	22 120	22 570	22 570	22 570	-	-	41 42	31 000
B	NC082 Ikal Ganyu	-	-	3 000	3 000	3 000	3 000	-	-	3 980	3 000
B	NC084 IKKris	-	-	3 000	3 000	3 000	3 000	-	-	3 000	3 000
B	NC085 Tsamshane	-	-	2 850	3 000	3 000	3 000	-	-	3 925	3 000
B	NC086 Kameelapole	-	-	3 000	3 000	3 000	3 000	-	-	4 113	3 000
B	NC087 David Ruyter	-	-	1 200	1 200	1 200	1 200	-	-	1 200	1 200
C	DC8 Z.F. Mqawana District Municipality	-	-	10 050	10 200	10 200	10 200	-	-	20 500	16 600
	Total Z.F. Mqawana Municipalities	-	-	10 050	10 200	10 200	10 200	-	-	10 512	7 200
B	NC091 Sed Dladla	5 500	5 500	3 000	3 000	3 000	3 000	-	-	3 959	3 000
B	NC092 Dikgatong	-	-	3 000	3 000	3 000	3 000	-	-	3 971	3 000
B	NC093 Magera	-	-	2 850	3 000	3 000	3 000	-	-	3 000	3 000
B	NC094 Phokwane	-	-	3 000	3 000	3 000	3 000	-	-	2 077	1 000
C	DC9 Frances Baard District Municipality	5 500	5 500	11 500	11 900	11 900	11 900	-	-	23 510	17 400
	Total Frances Baard Municipalities	5 500	5 500	11 500	11 900	11 900	11 900	-	-	10 512	7 200
B	NC051 Joe Molebeng	-	-	3 000	3 000	3 000	3 000	-	-	4 228	3 000
B	NC052 Gae-Segomam	-	-	3 000	3 000	3 000	3 000	-	-	4 521	3 000
B	NC053 Gae-Segomam	-	-	1 000	1 000	1 000	1 000	-	-	1 000	1 000
C	DC45 Joba Tsoela-Godswane District Municipality	5 500	5 500	1 000	1 000	1 000	1 000	-	-	7 575	6 500
	Total Joba Tsoela-Godswane Municipalities	5 500	5 500	9 300	9 300	9 300	9 300	-	-	19 326	14 800
	Total Northern Cape Municipalities	11 000	11 000	77 500	79 300	79 300	79 300	-	-	115 003	90 300
NORTH WEST											
B	NW071 Moretele	-	-	2 850	2 900	2 900	2 900	-	-	5 184	2 900
B	NW072 Mmabatho	-	-	1 850	1 700	1 700	1 700	-	-	3 075	1 700
B	NW073 Kgatleng	-	-	3 000	3 000	3 000	3 000	-	-	4 089	3 000
B	NW074 Kgatleng	-	-	1 850	1 950	1 950	1 950	-	-	3 558	1 950
B	NW075 Moses Kotane	-	-	1 650	1 850	1 850	1 850	-	-	3 118	1 850
C	DC37 Bojanala Platinum District Municipality	-	-	13 900	14 400	14 400	14 400	-	-	27 963	14 400
	Total Bojanala Platinum Municipalities	-	-	13 900	14 400	14 400	14 400	-	-	3 374	1 800
B	NW080 Raturu	-	-	1 850	1 800	1 800	1 800	-	-	5 000	3 000
B	NW082 Tloeng	-	-	3 000	3 000	3 000	3 000	-	-	4 423	3 000
B	NW083 Mafeking	-	-	3 000	3 000	3 000	3 000	-	-	4 889	3 000
B	NW085 Ramotswa	-	-	2 200	2 300	2 300	2 300	-	-	3 412	2 300
B	NW085 Ramotswa	-	-	2 850	3 000	3 000	3 000	-	-	4 990	3 000
C	DC38 Naha Modiri-Molema District Municipality	-	-	16 500	16 400	16 400	16 400	-	-	26 081	16 400
	Total Naha Modiri-Molema Municipalities	-	-	16 500	16 400	16 400	16 400	-	-	3 929	2 850
B	NW092 Naledi	-	-	2 550	2 850	2 850	2 850	-	-	4 423	3 000
B	NW093 Mmusa	-	-	3 000	3 000	3 000	3 000	-	-	4 889	3 000
B	NW094 Greater Tloeng	-	-	3 000	3 000	3 000	3 000	-	-	5 204	3 000
B	NW096 Letlamo	-	-	2 850	3 000	3 000	3 000	-	-	5 625	3 000
B	NW097 Letlamo	-	-	2 100	2 300	2 300	2 300	-	-	3 935	2 300
C	DC50 Dr Ruth Segamane Mmopani District Municipality	-	-	16 800	17 450	17 450	17 450	-	-	26 896	17 450
	Total Dr Ruth Segamane Mmopani District Municipalities	-	-	16 800	17 450	17 450	17 450	-	-	4 886	3 000
B	NW003 City of Mafesane	-	-	3 000	3 000	3 000	3 000	-	-	4 486	3 000
B	NW004 Marquard Hills	-	-	3 000	3 000	3 000	3 000	-	-	4 486	3 000
B	NW005 JB Marks	-	-	3 000	3 000	3 000	3 000	-	-	5 204	3 000
C	DC40 Dr Kenneth Boasa District Municipality	-	-	10 000	10 000	10 000	10 000	-	-	17 698	10 000
	Total Dr Kenneth Boasa District Municipalities	-	-	10 000	10 000	10 000	10 000	-	-	30 638	20 000
	Total North West Municipalities	-	-	57 100	58 440	58 440	58 440	-	-	90 638	58 440

ANNEXURE W4

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

Category	Municipality	Infrastructure Skills Development Grant		Local Government Financial Management Grant		Expanded Public Works Programme Integrated Grant for Municipalities		Programme and Project Preparation Support Grant		SUB-TOTAL: CURRENT ¹		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)
WESTERN CAPE												
A	CPT City of Cape Town	12 000	12 000	1 000	1 000	1 000	49 772	-	70 890	74 955	87 955	90 259
B	WC011 Matzikama	-	-	1 550	1 771	1 771	1 836	-	-	-	1 771	1 771
B	WC012 Cederberg	-	-	2 023	2 132	2 132	1 755	-	-	-	2 132	2 132
B	WC013 Bergvliet	-	-	1 550	1 550	1 550	2 075	-	-	-	1 550	1 550
B	WC014 Saldanha Bay	-	-	1 550	1 550	1 550	2 646	-	-	-	1 550	1 550
B	WC015 Swartland	-	-	1 550	1 550	1 550	1 832	-	-	-	1 550	1 550
C	DC1 West Coast District Municipality	-	-	1 000	1 000	1 000	1 401	-	-	-	1 000	1 000
	Total: West Coast Municipalities	-	-	9 223	9 553	9 553	11 545	-	-	-	9 553	9 553
B	WC022 Witzberg	-	-	1 550	1 550	1 550	2 617	-	-	-	1 550	1 550
B	WC023 Drakenstein	-	-	1 550	1 550	1 550	3 287	-	-	-	1 550	1 550
B	WC024 Stellenbosch	-	-	1 550	1 550	1 550	5 998	-	-	-	1 550	1 550
B	WC025 Breede Valley	-	-	1 550	1 550	1 550	2 965	-	-	-	1 550	1 550
B	WC026 Langeberg	-	-	1 550	1 550	1 550	2 210	-	-	-	1 550	1 550
C	DC2 Cape Winelands District Municipality	-	-	1 000	1 000	1 000	1 413	-	-	-	1 000	1 000
	Total: Cape Winelands Municipalities	-	-	8 750	8 750	8 750	18 490	-	-	-	8 750	8 750
B	WC031 Theewaterskloof	-	-	1 650	1 650	1 700	1 721	-	-	-	1 650	1 700
B	WC032 Overstrand	-	-	1 550	1 550	1 550	2 530	-	-	-	1 550	1 550
B	WC033 Cape Agulhas	-	-	1 550	1 550	1 550	2 297	-	-	-	1 550	1 550
B	WC034 Swellendam	-	-	1 720	1 720	1 770	1 682	-	-	-	1 720	1 770
C	DC3 Overberg District Municipality	-	-	1 000	1 000	1 000	1 053	-	-	-	1 000	1 000
	Total: Overberg Municipalities	-	-	7 470	7 470	7 570	9 283	-	-	-	7 470	7 570
B	WC041 Kamahind	-	-	2 811	2 932	2 932	1 359	-	-	-	2 932	2 932
B	WC042 Hessequa	-	-	1 550	1 550	1 550	1 154	-	-	-	1 550	1 550
B	WC043 Mossel Bay	-	-	1 550	1 550	1 566	1 672	-	-	-	1 550	1 566
B	WC044 George	6 000	6 000	1 550	1 721	1 771	3 068	-	-	-	7 721	7 771
B	WC045 Oudshoorn	-	-	2 663	2 800	2 802	1 784	-	-	-	2 800	2 802
B	WC047 Bloubaai	-	-	1 550	1 721	1 771	996	-	-	-	1 721	1 771
B	WC048 Knysna	-	-	1 550	1 721	1 771	1 118	-	-	-	1 721	1 771
C	DC4 Garden Route District Municipality	-	-	1 000	1 000	1 000	2 071	-	-	-	1 000	1 000
	Total: Garden Route Municipalities	6 000	6 000	14 224	14 995	15 163	13 222	-	-	-	20 995	21 163
B	WC051 Langesig	-	-	1 750	1 750	1 800	1 098	-	-	-	1 750	1 800
B	WC052 Prince Albert	-	-	1 650	1 650	1 700	1 243	-	-	-	1 650	1 700
B	WC053 Beaufort West	-	-	1 914	2 085	2 185	1 285	-	-	-	2 085	2 185
C	DC5 Central Karoo District Municipality	-	-	1 000	1 000	1 000	1 269	-	-	-	1 000	1 000
	Total: Central Karoo Municipalities	-	-	6 314	6 485	6 685	4 895	-	-	-	6 485	6 685
	Total: Western Cape Municipalities	18 000	18 000	46 981	48 253	48 721	107 207	-	70 890	74 955	141 208	143 980
Unallocated												
National Total		155 217	159 246	552 061	566 295	568 571	758 693	341 312	360 886	376 792	2 411 754	2 442 480

¹ Includes unallocated amounts for the Municipal Disaster Relief Grant (MDRG) and the Municipal Emergency Housing Grant (MEHG). The MDRG is allocated R358 million in 2021/22, R371 million in 2022/23 and R373 million in 2023/24. The MEHG is allocated R168 million in 2021/22, R175 million in 2022/23 and R183 million in 2023/24.

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		Energy Efficiency and Demand Side Management Grant		Integrated National Electrification Programme (Unleap) Grant		Rural Roads Asset Management Systems Grant		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant	
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
FREE STATE													
A	MAN	-	-	-	-	-	-	-	-	-	-	-	-
B	FSI61 Letsameing	17 894	19 019	19 691	-	5 882	8 000	8 000	-	-	-	25 552	20 758
B	FSI62 Kopanong	21 494	22 932	23 792	-	4 000	4 000	-	-	-	-	32 000	21 820
B	FSI63 Mthokare	18 788	19 991	20 710	-	8 562	5 500	5 500	-	20 000	-	31 000	32 088
C	DC16 Xhariep District Municipality	-	-	-	-	-	-	-	2 196	2 304	-	-	-
	Total: Xhariep Municipalities	58 176	61 942	64 193	3 000	14 444	17 500	17 500	2 196	2 304	20 000	88 532	76 382
B	FSI81 Mestronyan	24 552	26 257	27 276	-	-	3 000	3 000	-	-	-	12 000	17 576
B	FSI82 Tokologo	17 262	18 332	18 971	-	-	6 000	7 000	-	-	-	15 000	15 720
B	FSI83 Tswelopele	17 192	18 256	18 891	-	-	3 000	3 000	-	-	-	12 000	12 276
B	FSI84 Majahabeng	133 069	136 629	142 932	-	-	10 000	11 000	-	-	-	25 000	25 800
B	FSI85 Nala	31 157	33 439	34 802	-	-	3 000	4 000	-	-	-	11 000	11 528
C	DC18 Leyersputswa District Municipality	-	-	-	-	-	-	-	2 332	2 447	-	-	-
	Total: Leyersputswa Municipalities	223 232	232 913	242 872	4 500	22 000	28 000	28 000	2 332	2 447	110 000	75 000	82 900
B	FSI91 Sesoato	49 792	53 700	56 032	3 000	2 000	9 000	9 000	-	-	150 000	27 825	14 933
B	FSI92 Dhlahlang	40 712	43 827	45 688	-	5 570	9 000	9 000	-	-	-	16 000	16 368
B	FSI93 Ntsona	26 621	28 508	29 634	-	-	-	-	-	-	-	25 000	26 200
B	FSI94 Maitse-e-Phofing	182 445	187 049	195 767	3 000	27 000	25 600	25 000	-	-	-	25 000	26 200
B	FSI95 Phumela	22 033	23 519	24 406	-	8 500	4 000	5 000	-	5 000	-	22 260	18 777
B	FSI96 Matsopa	20 889	22 275	23 103	-	4 000	4 000	5 000	-	-	-	15 000	10 720
C	DC19 Thabo Mofutsanyana District Municipality	-	-	-	4 000	-	-	-	2 458	2 580	-	-	-
	Total: Thabo Mofutsanyana Municipalities	342 492	356 878	374 630	10 000	43 070	42 600	44 000	2 458	2 580	115 000	131 085	109 749
B	FS201 Moshala	42 336	45 594	47 537	-	1 500	3 000	5 000	-	-	-	16 500	10 292
B	FS203 Ngontle	44 240	47 663	49 705	-	10 000	17 000	15 000	-	-	-	26 500	19 021
B	FS204 Metimholo	47 085	50 756	52 947	-	30 400	20 000	19 580	-	78 921	-	17 000	17 316
B	FS205 Mathe	23 515	25 129	26 094	-	8 705	11 000	10 000	-	-	-	20 000	20 960
C	DC20 Fezile Dabi District Municipality	-	-	-	4 000	-	-	-	2 236	2 347	-	-	-
	Total: Fezile Dabi Municipalities	157 176	169 142	176 283	4 000	50 605	51 000	49 580	2 236	2 347	78 921	80 000	63 568
	Total: Free State Municipalities	781 076	822 875	857 978	18 500	108 119	133 100	139 080	9 222	9 678	213 921	374 617	332 599
GAUTENG													
A	EKU City of Ekurhuleni	-	-	-	10 000	-	-	-	-	-	-	-	-
A	JHB City of Johannesburg	-	-	-	10 000	-	-	-	-	-	-	-	-
A	TSH City of Tshwane	-	-	-	10 000	-	-	-	-	-	-	-	-
B	GT421 Enfileni	179 030	194 208	203 268	4 000	18 244	20 000	21 000	-	-	-	-	-
B	GT422 Midwal	33 429	35 909	37 390	-	22 072	20 000	21 000	-	-	-	18 000	18 864
B	GT423 Lesedi	27 716	29 698	30 882	4 000	40 400	20 000	21 000	-	-	-	19 000	18 874
C	DC42 Sedibeng District Municipality	-	-	-	-	-	-	-	2 489	2 612	-	-	-
	Total: Sedibeng Municipalities	240 175	259 815	271 540	8 000	80 716	60 000	63 000	2 489	2 612	37 000	37 000	37 738
B	GT481 Mogale City	-	-	-	-	18 513	14 000	16 000	-	-	-	45 000	45 160
B	GT484 Meritong City	70 035	75 708	79 094	-	11 219	16 942	19 204	-	-	-	40 000	40 806
B	GT485 Rand West City	96 442	104 417	109 178	4 000	19 700	37 000	35 000	-	-	-	50 000	73 360
C	DC48 West Rand District Municipality	-	-	-	-	-	-	-	2 651	2 782	-	-	-
	Total: West Rand Municipalities	166 477	180 125	188 272	4 000	49 432	67 942	70 204	2 651	2 782	135 000	158 940	156 246
	Total: Gauteng Municipalities	406 653	439 940	459 812	42 000	130 148	127 942	133 204	5 140	5 394	172 000	196 678	194 766

ANNEXURE W5

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

Category	Municipality	Municipal Infrastructure Grant		Energy Efficiency and Demand Side Management Grant		Integrated Water & Electricity Programme (Municipal Grant)		Rural Road Asset Management Systems Grant		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant	
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)
KWAZULU-NATAL													
A	ETHU				9,000	10,000							
B	KZN212 uMdloti	32,253	34,630			9,000							
B	KZN213 uMzimba	35,861	38,552			26,500	7,000						
B	KZN214 uMzimbane	32,464	26,163	3,000	4,000	9,600							
B	KZN216 Bay iKwasimi	285,524	277,374	2,904,417				2,721	2,856	2,859			72,350
C	DC21 Ugu District Municipality	356,102	376,719	393,985	7,000	7,000	38,000	40,000	40,000	40,000			70,000
	Total: Ugu Municipalities												
B	KZN231 uMfolozi	28,977	31,069	32,318			8,600	9,000					
B	KZN232 uMfogas	24,146	25,816	26,813			18,486	9,000					
B	KZN233 uMfolozi	12,463	13,114	13,903				9,000					
B	KZN234 uMfolozi	209,331	227,152	237,790			3,551	7,000	8,000				
B	KZN235 uMfolozi	24,735	17,781	18,394			24,000	9,000					
B	KZN236 uMfolozi	19,266	20,511	21,255			10,980	8,000					
B	KZN237 uMfolozi	107,893	116,867	122,224				2,506	2,714	2,717			
C	DC22 uMgungahlobo District Municipality	446,961	486,063	483,423			83,727	86,000	61,000	2,506	2,714	2,717	128,000
	Total: uMgungahlobo Municipalities												
B	KZN238 uMhlabathini	29,734	31,891	33,179			13,140	7,000					
B	KZN239 uMhlabathini	39,665	42,869	44,495			9,000	9,000					
B	KZN238 Alfred Duma	65,161	70,409	73,541			17,100	8,000		6,000			
C	DC23 uMhlabathini District Municipality	194,919	211,483	221,371			30,500	24,000	25,000	6,000			
	Total: uMhlabathini Municipalities	329,479	386,472	377,586									80,000
B	KZN241 uMhlabathini	15,836	16,782	17,346			14,111	9,000					
B	KZN242 uMhlabathini	32,808	35,231	36,606	2,000	3,000		10,000					
B	KZN243 uMhlabathini	31,425	32,772	34,096	2,000	3,000		10,000					
B	KZN245 uMhlabathini	41,733	33,620	34,492			17,323	16,000					
C	DC24 uMhlabathini District Municipality	199,739	216,734	226,673				2,330	2,445	2,448			
	Total: uMhlabathini Municipalities	339,126	344,780	349,977			45,768	53,000	54,000	2,448	2,448		83,600
B	KZN252 Newcastle	119,182	129,140	133,083			13,800	10,000					40,000
B	KZN253 uMshangeni	9,607	10,010	10,250			8,075	7,000					
B	KZN254 uMshangeni	30,794	24,347	25,274				7,000					
C	DC25 uMshangeni District Municipality	43,290	46,887	48,578				2,255	2,266	2,269			60,000
	Total: uMshangeni Municipalities	202,823	210,684	217,187			21,675	23,000	22,651	2,266	2,269		100,000
B	KZN261 eThekweni	18,847	20,055	20,777			26,500	14,000					
B	KZN262 uPhangiso	29,732	31,889	33,177			15,000	8,000					
B	KZN263 uPhangiso	39,107	42,082	43,859			3,386	10,000					
B	KZN265 Ngqweni	33,821	36,009	37,465			17,082	6,000					
B	KZN266 uManteni	32,489	34,887	36,319			5,005	12,000					
C	DC26 uManteni District Municipality	239,111	259,530	271,718				2,416	2,535	2,538	149,000	215,312	135,800
	Total: uManteni Municipalities	392,807	424,424	443,245			66,983	52,000	2,416	2,535	222,531	149,000	215,312
B	KZN271 uMkhayeli	36,754	39,523	41,177			12,500	11,000					
B	KZN272 uMkhayeli	39,381	42,360	44,171			8,800	9,000					
B	KZN275 uMkhayeli	33,391	35,867	37,347			5,940	9,000					
B	KZN276 uMkhayeli	22,860	23,874	24,779			5,500	6,628					
C	DC27 uMkhayeli District Municipality	227,864	247,381	258,881					2,682	2,814	2,818		
	Total: uMkhayeli Municipalities	389,730	388,925	406,355			33,920	35,628	41,078	2,682	2,814	2,818	
B	KZN281 uMkhayeli	27,526	29,491	30,664				14,000					
B	KZN282 uMkhayeli	45,561	47,781	49,300			5,135	7,000					
B	KZN283 uMkhayeli	18,852	20,619	20,781			20,805	14,000					
B	KZN286 uMkhayeli	23,959	25,579	26,565			6,027	13,000					
C	DC28 uMkhayeli District Municipality	180,995	196,344	205,997					2,584	2,711	2,714	10,000	160,000
	Total: King Cetshwayo Municipalities	293,833	317,230	331,276			32,157	54,000	2,584	2,711	2,714	10,000	160,000
B	KZN291 uMkhayeli	37,232	40,044	41,722			4,872	7,000					
B	KZN292 uMkhayeli	33,531	35,627	36,899			3,080	7,000					
B	KZN293 uMkhayeli	31,331	33,627	35,000			9,100	10,000					
B	KZN294 uMkhayeli	30,434	32,529	33,800			16,250	15,000					
C	DC29 uMkhayeli District Municipality	204,409	221,424	231,800				3,331	2,436	2,439			
	Total: uMkhayeli Municipalities	358,603	379,602	395,965			33,302	34,000	40,000	2,531	2,536	2,539	
B	KZN413 Greater Kokstad	18,073	19,214	19,896			23,338	25,000					
B	KZN414 uMkhayeli	28,262	30,291	31,503			10,000	10,500					
B	KZN415 uMkhayeli	45,728	49,281	51,492			13,176	9,000					
B	KZN416 uMkhayeli	36,808	39,558	41,383			12,720	9,000					
C	DC31 uMkhayeli District Municipality	212,800	211,011	211,651					2,275	2,307	2,309		20,000
	Total: Harry Gwala District Municipality	347,461	360,355	376,473			59,254	53,000	44,000	2,275	2,307	2,309	20,000
	Total: King Cetshwayo Municipalities	3,410,925	3,623,132	3,784,447			447,166	419,628	439,978	24,713	25,933	25,964	305,312
	Total: KwaZulu-Natal Municipalities	3,410,925	3,623,132	3,784,447			447,166	419,628	439,978	24,713	25,933	25,964	305,312
	Total: KwaZulu-Natal Municipalities	3,410,925	3,623,132	3,784,447			447,166	419,628	439,978	24,713	25,933	25,964	305,312

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

Category	Municipality	Municipal Infrastructure Grant		Energy Efficiency and Demand Side Management Grants		Integrated National Electrification Programme (INEP) Grants		Rural Roads Asset Management Systems Grant		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant	
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)
LIMPOPO													
B	LIM31 Greater Giyani	64 105	69 261	-	-	18 000	18 000	-	-	-	-	-	-
B	LIM32 Greater Letaba	60 856	65 707	4 000	4 000	10 000	8 000	9 000	-	-	-	-	-
B	LIM33 Greater Tzaneen	99 741	108 004	-	-	16 020	14 000	16 000	-	-	-	-	-
B	LIM34 Bx-Buthelezi	33 685	36 186	3 000	4 000	20 000	5 969	7 000	-	-	-	-	-
B	LIM35 Middelburg	28 150	30 170	-	-	-	-	-	-	-	-	-	-
B	LIM36 Mopani District Municipality	481 869	521 460	-	-	-	-	-	2 255	2 363	-	42 863	65 000
C	DC31 Mopani District Municipality	768 286	817 231	7 000	8 000	64 020	45 969	51 000	2 425	2 583	-	42 863	65 000
B	LIM31 Mookgosi	36 688	32 713	-	-	-	9 000	10 000	-	-	-	-	-
B	LIM32 Muthama	111 524	119 127	-	-	23 000	15 000	16 000	-	-	-	-	-
B	LIM33 Muthama	104 589	104 296	-	-	15 000	15 000	16 000	-	-	-	-	-
B	LIM34 Muthama	86 558	93 889	-	-	15 000	15 000	16 000	-	-	-	-	-
C	DC34 Muthama District Municipality	546 654	593 243	621 469	-	-	-	-	2 299	2 469	-	44 000	70 000
C	DC35 Muthama District Municipality	875 942	945 854	979 993	-	-	49 296	58 000	2 299	2 469	-	44 000	70 000
B	LIM35 Mookgosi	56 764	59 408	-	-	10 000	8 000	10 000	-	-	-	-	-
B	LIM36 Mookgosi	37 000	39 792	-	-	33 000	28 000	30 733	-	-	-	-	-
B	LIM37 Mookgosi	-	-	6 000	5 000	-	7 000	9 000	-	-	-	80 000	92 700
B	LIM38 Mookgosi	57 085	61 628	-	-	-	-	-	-	-	-	65 000	80 000
C	DC35 Mookgosi District Municipality	244 646	265 547	278 023	-	-	-	-	2 475	2 594	-	95 000	160 000
C	DC36 Mookgosi District Municipality	395 495	417 375	456 030	6 000	5 000	50 000	72 733	2 475	2 594	2 601	160 000	186 300
B	LIM39 Mookgosi	34 960	37 573	-	-	22 000	45 000	40 000	-	-	-	-	-
B	LIM40 Mookgosi	46 014	49 592	-	-	26 500	12 000	10 500	-	-	-	37 160	30 832
B	LIM41 Mookgosi	27 184	29 130	3 000	3 000	8 000	9 000	9 000	-	-	-	32 086	25 750
B	LIM42 Mookgosi	165 710	179 727	188 093	-	-	25 000	15 000	-	-	-	37 000	35 333
B	LIM43 Mookgosi	40 617	43 724	-	-	-	-	-	-	-	-	-	-
C	DC36 Mookgosi District Municipality	314 495	339 746	384 819	-	-	73 500	105 000	2 179	2 284	-	60 086	106 810
C	DC37 Mookgosi District Municipality	35 189	37 821	39 394	4 015	5 000	-	-	2 179	2 284	-	-	-
B	LIM44 Mookgosi	57 984	62 606	65 364	-	-	21 348	10 000	-	-	-	-	-
B	LIM45 Mookgosi	65 627	70 915	74 072	-	-	20 000	10 000	-	-	-	-	-
B	LIM46 Mookgosi	99 240	96 588	100 974	-	-	20 000	10 000	-	-	-	-	-
C	DC37 Mookgosi District Municipality	594 625	547 577	573 557	-	-	-	-	2 341	2 483	-	61 652	64 425
C	DC38 Mookgosi District Municipality	762 092	815 507	853 361	4 015	5 000	61 348	20 000	2 341	2 483	2 460	61 652	64 425
C	DC39 Mookgosi District Municipality	3 116 210	3 341 770	3 495 807	20 015	18 000	298 164	292 969	11 549	12 103	12 116	315 449	463 462
C	DC40 Mookgosi District Municipality	92 108	99 706	104 241	3 500	3 000	8 468	12 000	-	-	-	64 000	57 745
B	MP301 Mookgosi	65 638	69 025	62 661	-	-	10 000	10 000	-	-	-	78 000	60 000
B	MP302 Mookgosi	83 856	89 625	93 671	-	-	36 360	17 000	-	-	-	160 000	60 000
B	MP303 Mookgosi	27 538	29 272	30 906	-	-	12 000	13 000	-	-	-	70 000	50 000
B	MP304 Mookgosi	30 307	32 514	33 833	-	-	10 000	15 000	-	-	-	85 000	40 000
B	MP305 Mookgosi	19 664	20 943	21 708	4 000	4 000	31 797	15 000	-	-	-	-	-
B	MP306 Mookgosi	61 043	65 932	68 849	4 200	5 000	7 650	19 000	-	-	-	16 000	-
C	DC30 Mookgosi District Municipality	369 334	398 497	415 904	10 700	12 000	104 275	101 000	2 365	2 481	2 485	285 000	207 745
C	DC31 Mookgosi District Municipality	26 134	27 976	29 078	-	-	-	-	-	-	-	-	-
B	MP31 Mookgosi	127 632	137 675	144 029	-	-	10 000	13 321	-	-	-	-	-
B	MP32 Mookgosi	19 046	20 272	21 004	-	-	47 500	38 000	-	-	-	-	-
B	MP33 Mookgosi	130 698	141 661	148 204	4 500	4 000	15 000	15 000	-	-	-	45 000	50 000
B	MP34 Mookgosi	132 482	143 602	150 238	-	-	34 000	14 000	-	-	-	20 000	25 000
B	MP35 Mookgosi	435 392	471 186	492 553	4 500	4 000	96 500	73 833	2 228	2 339	2 342	51 000	30 000
C	DC31 Mookgosi District Municipality	49 982	53 907	56 248	-	-	10 000	13 000	-	-	-	90 000	105 000
B	MP36 Mookgosi	238 568	258 939	271 099	-	-	5 400	2 000	-	-	-	25 000	20 000
B	MP37 Mookgosi	396 689	430 851	451 241	6 000	8 000	3 000	3 000	-	-	-	55 000	59 937
B	MP38 Mookgosi	353 929	384 361	402 526	4 000	8 000	69 206	40 000	-	-	-	60 000	40 000
C	DC32 Mookgosi District Municipality	1 029 168	1 128 058	1 181 114	10 000	13 000	74 606	51 000	2 403	2 522	2 522	170 000	149 937
C	DC33 Mookgosi District Municipality	1 843 894	1 997 741	2 089 571	25 200	29 000	275 381	228 833	6 996	7 342	7 353	571 000	487 745
C	DC34 Mookgosi District Municipality	1 843 894	1 997 741	2 089 571	25 200	29 000	275 381	228 833	6 996	7 342	7 353	571 000	487 745

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

Category	Municipal Infrastructure Grant		Energy Efficiency and Demand Side Management Grant		Integrated National Electrification Programme (Municipal) Grant		Rural Roads Asset Management System Grant		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant	
	2023/22 (R900)	2023/24 (R900)	2023/22 (R900)	2023/24 (R900)	2023/22 (R900)	2023/24 (R900)	2023/22 (R900)	2023/24 (R900)	2023/22 (R900)	2023/24 (R900)	2023/22 (R900)	2023/24 (R900)
NORTHERN CAPE												
B	14 480	7 697	7 827	-	-	1 000	1 000	-	-	-	-	10 000
B	15 182	16 070	16 601	-	-	5 000	5 000	-	-	-	-	5 000
B	7 708	7 945	8 687	-	-	2 000	2 000	-	-	-	-	5 000
B	10 051	10 493	10 756	-	-	2 000	2 000	-	-	-	-	10 000
B	8 276	8 562	8 734	-	-	4 000	4 000	-	-	-	-	10 000
B	7 942	8 200	8 353	-	-	2 000	3 000	-	-	-	-	10 000
C	62 659	58 967	60 158	5 000	5 000	1 780	16 000	2 967	3 114	3 118	-	50 000
B	10 274	10 215	11 010	-	-	10 000	7 000	-	-	-	-	9 450
B	11 857	12 488	12 848	-	-	3 000	3 000	-	-	-	-	8 000
B	12 596	13 259	13 656	4 000	4 000	4 000	4 000	-	-	-	-	8 000
B	8 224	8 506	8 674	-	-	5 000	7 000	-	-	-	-	5 000
B	7 631	7 862	7 999	-	-	4 000	4 000	-	-	-	-	5 000
B	9 722	10 134	10 380	-	-	7 000	7 000	-	-	-	-	7 000
B	10 125	10 572	10 840	-	-	7 000	8 000	-	-	-	-	10 000
B	24 320	18 395	19 036	-	-	12 500	7 000	-	-	-	-	5 000
C	94 779	91 951	94 443	3 000	4 000	31 500	46 000	3 076	3 227	3 231	-	51 000
B	22 465	26 697	26 660	-	-	5 111	5 000	-	-	-	-	4 000
B	11 667	12 648	12 882	-	-	4 000	4 000	-	-	-	-	5 000
B	24 137	17 165	17 148	-	-	1 500	2 000	-	-	-	-	6 000
B	20 227	8 510	8 678	4 000	4 000	2 000	3 000	-	-	-	-	6 000
B	26 323	28 183	29 294	-	-	12 975	8 000	-	-	-	-	10 000
C	109 262	90 522	93 663	3 000	4 000	19 586	21 000	2 930	3 074	3 078	-	30 000
B	28 477	21 763	22 566	-	-	66 500	22 000	-	-	-	-	25 000
B	11 541	12 112	12 454	-	-	1 000	8 000	-	-	-	-	10 000
B	27 569	29 538	30 714	-	-	5 000	9 000	-	-	-	-	5 000
C	67 527	64 413	65 234	-	-	72 500	41 000	2 576	2 703	2 706	-	60 000
B	63 401	68 496	71 536	-	-	1 500	1 500	-	-	-	-	47 200
B	56 267	60 738	63 407	-	-	31 000	11 138	-	-	-	-	30 000
B	12 273	12 908	13 287	4 000	-	12 500	20 000	-	-	-	-	15 938
C	131 941	142 142	148 230	4 000	-	45 000	31 138	2 027	2 129	2 129	-	35 000
B	467 148	446 995	462 428	15 000	13 000	170 366	155 138	13 576	14 245	14 262	-	167 809
NORTH WEST												
B	121 516	131 679	137 746	-	-	-	-	-	-	-	-	79 042
B	284 735	324 408	339 702	3 500	4 000	15 000	23 000	-	-	-	-	77 947
B	249 229	270 530	283 245	4 500	4 000	15 000	31 015	-	-	-	-	109 728
B	27 126	29 056	30 209	-	-	18 500	20 000	-	-	-	-	71 216
B	167 571	171 967	179 861	-	-	-	-	-	-	-	-	49 154
C	864 227	927 640	970 863	8 000	8 000	30 000	74 500	2 416	2 472	2 538	-	238 205
B	30 897	33 145	34 304	-	-	-	-	-	-	-	-	-
B	30 763	33 010	34 352	4 000	-	10 000	11 000	-	-	-	-	-
B	84 679	69 887	72 994	-	-	-	-	-	-	-	-	-
B	38 475	41 394	43 139	-	-	-	-	-	-	-	-	-
B	31 605	34 000	35 400	-	-	6 775	10 000	-	-	-	-	-
C	312 573	344 835	364 107	-	-	-	-	2 586	2 667	2 727	-	-
B	544 514	564 885	589 778	4 000	4 000	6 775	20 000	2 596	2 667	2 727	-	-
B	17 714	18 823	19 486	-	-	4 908	15 000	-	-	-	-	-
B	16 351	17 342	17 933	-	-	18 190	10 000	-	-	-	-	-
B	50 218	54 163	56 417	-	-	8 000	10 000	-	-	-	-	-
B	15 394	16 300	16 842	-	-	-	-	-	-	-	-	-
B	31 606	33 926	35 313	-	-	-	-	-	-	-	-	-
C	146 579	158 928	166 299	-	-	-	-	2 498	2 566	2 624	-	-
B	277 862	299 482	312 390	-	-	22 098	33 000	2 498	2 566	2 624	-	-
B	92 651	100 147	104 746	-	-	26 707	25 000	-	-	-	-	20 000
B	34 623	31 782	33 685	4 000	-	7 861	7 000	-	-	-	-	10 000
B	70 475	76 186	79 995	4 000	-	200	11 000	-	-	-	-	15 000
C	202 658	208 145	217 406	4 000	9 000	26 907	40 361	2 514	2 573	2 641	-	55 000
B	1 886 261	1 999 662	2 090 637	16 000	21 000	86 790	167 861	10 024	10 288	10 530	-	350 073

ANNEXURE W5

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

Category	Municipality	Municipal Infrastructure Grant		Energy Efficiency and Demand Side Management Grant		Integrated National Electrification Programme (Municipal) Grant		Rural Roads Asset Management Systems Grant		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant			
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)
WESTERN CAPE															
A	CPT City of Cape Town	-	-	10 000	10 000	-	-	-	-	-	-	-	-	-	-
B	WC011 Matieland	22 308	23 817	-	-	-	5 000	-	-	7 661	10 000	-	41 935	11 717	24 550
B	WC012 Cederberg	16 320	17 309	-	-	17 000	10 000	-	-	-	-	-	4 600	10 000	10 000
B	WC013 Bergvliet	15 134	16 017	-	-	1 000	5 000	-	-	-	-	-	6 596	10 000	-
B	WC014 Saldanha Bay	20 299	21 634	-	-	5 067	3 000	-	-	-	-	-	-	-	-
B	WC015 Swartland	22 301	23 810	-	-	8 335	5 000	-	-	-	-	-	-	-	-
C	DC1 - West Coast District Municipality	-	-	-	-	-	-	2 586	2 714	2 717	-	-	-	-	-
	Total: West Coast Municipalities	96 362	102 587	106 305	106 305	31 442	28 000	2 586	2 714	2 717	10 000	7 661	53 131	31 717	34 850
B	WC022 Witzenberg	24 980	25 091	-	-	12 762	3 122	-	-	20 000	19 239	-	4 095	5 000	-
B	WC023 Drakenstein	-	-	3 000	-	10 965	19 000	-	-	-	-	-	-	-	-
B	WC024 Stellenbosch	-	-	-	-	18 000	6 000	-	-	-	-	-	-	-	-
B	WC025 Breede Valley	36 260	38 986	-	-	21 000	38 000	-	-	-	-	-	-	-	-
B	WC026 Langeberg	23 025	24 597	-	4 000	2 890	3 000	-	-	-	-	-	20 000	20 000	-
C	DC2 - Cape Winelands District Municipality	-	-	-	-	-	-	2 748	2 884	2 887	-	-	-	-	-
	Total: Cape Winelands Municipalities	84 265	88 674	92 204	4 000	65 617	69 122	2 748	2 884	2 887	19 239	20 000	24 095	25 000	-
B	WC031 Theewaterskloof	35 602	29 728	-	3 500	7 120	6 000	-	-	-	-	-	2 500	10 000	-
B	WC032 Overstrand	23 053	24 628	-	-	18 519	7 000	-	-	-	-	-	5 182	9 200	-
B	WC033 Cape Agulhas	11 373	11 929	-	-	2 625	4 000	-	-	-	-	-	7 700	8 700	-
B	WC034 Swellendam	12 362	13 605	-	3 000	5 867	4 000	-	-	-	-	-	10 707	11 000	-
	Total: Overberg Municipalities	82 390	79 290	82 132	6 500	34 131	21 000	2 708	2 842	2 845	-	-	26 089	38 900	-
B	WC041 Kammanland	10 594	11 083	-	-	2 699	2 000	-	-	-	-	-	10 000	9 552	21 000
B	WC042 Hessequa	14 181	14 982	-	4 500	-	2 000	-	-	-	-	-	-	-	-
B	WC043 Mossel Bay	25 277	27 046	-	-	10 026	12 000	-	-	-	-	-	-	-	-
B	WC044 George	42 262	45 507	-	-	15 100	12 000	-	-	-	-	-	3 082	5 000	-
B	WC045 Oudshoorn	22 775	24 325	-	-	3 206	5 000	-	-	-	-	-	-	-	-
B	WC047 Bitter	21 104	22 508	-	5 000	4 250	11 000	-	-	-	-	-	-	-	-
B	WC048 Knysna	26 260	28 114	-	-	6 000	6 000	-	-	-	-	-	5 107	23 291	32 000
C	DC4 - Garden Route District Municipality	-	-	-	-	-	-	2 478	2 601	2 604	-	-	-	-	-
	Total: Garden Route Municipalities	162 453	173 565	180 205	5 000	35 281	50 000	2 478	2 601	2 604	-	-	18 189	37 843	53 000
B	WC051 Langsburg	6 719	6 900	-	-	3 000	4 000	-	-	-	-	-	7 496	12 000	8 721
B	WC052 Prince Albert	7 718	7 956	-	-	3 000	4 000	-	-	-	-	-	-	-	-
B	WC053 Beaufort West	14 521	15 355	-	4 000	6 100	7 000	-	-	-	-	-	-	-	-
	Total: Central Karoo District Municipality	28 958	30 211	30 918	4 000	6 100	13 000	1 963	2 060	2 062	-	-	7 496	12 000	8 721
	Total: Western Cape Municipalities	454 428	474 327	491 764	23 000	172 571	181 122	12 483	13 101	13 115	27 661	29 239	129 000	145 460	96 271
	Unallocated	-	252 858	-	232 092	-	-	-	-	-	-	-	-	-	-
	National Total	15 592 748	16 852 001	17 594 733	220 874	2 003 157	2 212 668	109 870	115 020	115 461	2 280 772	2 281 294	3 620 327	3 701 019	3 864 137

ANNEXURE W5

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

Category	Municipality	Integrated Urban Development Grant				Informal Settlements Upgrading Partnership Grant: Municipalities				Urban Settlements Development Grant				Neighbourhood Development Partnership Grant (Capital)				Public Transport Network 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		National and Municipal Financial Year		National and Municipal Financial Year						
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)			
EASTERN CAPE																												
A	BUF																											
A	NMA																											
B	EC101																											
B	EC102																											
B	EC104																											
B	EC105																											
B	EC106																											
B	EC108																											
B	EC109																											
C	DC10																											
Total: Sarah Baartman District Municipality																												
B	EC121																											
B	EC122																											
B	EC123																											
B	EC124																											
B	EC126																											
B	EC129																											
C	DC12																											
Total: Amathole Municipalities																												
B	EC131																											
B	EC135																											
B	EC136																											
B	EC137																											
B	EC138																											
B	EC139																											
C	DC13																											
Total: Chris Hani Municipalities																												
B	EC141																											
B	EC142																											
B	EC145																											
C	DC14																											
Total: Joe Gqabi Municipalities																												
B	EC153																											
B	EC154																											
B	EC155																											
B	EC156																											
B	EC157																											
C	DC15																											
Total: O.R. Tambo District Municipality																												
B	EC441																											
B	EC442																											
B	EC443																											
B	EC444																											
C	DC44																											
Total: Alfred Nzo District Municipality																												
Total: Eastern Cape Municipalities																												
Total: Eastern Cape Municipalities																												

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

Category	Municipality	Integrated Urban Development Grant			Informal Settlements Upgrading Partnership Grant: Municipalities			Urban Settlements Development Grant			Neighbourhood Development Partnership Grant (Capitab)			Public Transport Network Grant			SUB-TOTAL: INFRASTRUCTURE		
		National and Municipal Financial Year		2023/24	National and Municipal Financial Year		2023/24	National and Municipal Financial Year		2023/24	National and Municipal Financial Year		2023/24	National and Municipal Financial Year		2023/24	National and Municipal Financial Year		2023/24
		(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)
FREE STATE:																			
A	MAN Mangang	-	-	263 893	279 617	291 940	-	495 269	491 759	513 434	10 000	-	223 648	249 894	260 551	992 810	1 021 270	1 065 925	
B	FS161 Letsameg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49 308	50 777	49 018	
B	FS162 Kopanong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53 494	50 468	49 612	
B	FS163 Mokokare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78 350	57 579	49 110	
C	DC16 Xhariep District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 196	2 304	2 307	
Total: Xhariep Municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	183 348	161 128	150 047	
B	FS181 Matielonyana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36 552	43 833	44 076	
B	FS182 Tokologo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32 262	40 052	42 698	
B	FS183 Tsoetlopile	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29 192	33 532	35 246	
B	FS184 Mafhabeng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	158 069	172 429	175 911	
B	FS185 Nala	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46 657	47 967	50 648	
C	DC18 Leywebuswa District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 332	2 447	2 450	
Total: Leywebuswa Municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	305 064	340 260	351 029	
B	FS191 Senofo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	192 617	221 633	225 205	
B	FS192 Dhlhlabeng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62 282	69 095	72 710	
B	FS193 Ncorana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51 621	54 708	52 323	
B	FS194 Matatse-Phofung	-	-	-	-	-	-	-	-	-	-	-	-	-	-	237 445	238 849	245 456	
B	FS195 Phumela	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57 793	42 847	48 183	
B	FS196 Mantsopa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35 889	36 995	38 530	
C	DC19 Thabo Mofutsanyana District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 458	2 580	2 582	
Total: Thabo Mofutsanyana Municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	644 105	666 807	684 989	
B	FS201 Mochlaka	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60 336	58 886	65 907	
B	FS203 Ngwathe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	159 661	134 070	157 622	
B	FS204 Metsimahalo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	94 485	88 072	88 144	
B	FS205 Mafube	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52 220	57 089	54 997	
C	DC20 Fezile Dabi District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 236	6 347	2 349	
Total: Fezile Dabi Municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	372 938	344 464	369 019	
Total: Free State Municipalities		-	-	263 893	279 617	291 940	-	495 269	491 759	513 434	10 000	-	223 648	249 894	260 551	2 498 265	2 533 929	2 621 000	
GAUTENG:																			
A	EKU City of Ekurhuleni	-	-	688 666	729 065	761 197	-	1 291 347	1 282 202	1 338 713	54 000	80 000	87 155	628 569	702 334	2 671 982	2 803 601	2 919 353	
A	JHB City of Johannesburg	-	-	644 375	684 888	715 075	-	1 213 099	1 204 509	1 257 596	56 569	50 000	50 000	1 064 843	1 110 828	2 990 886	3 060 225	3 180 874	
A	TSH City of Tshwane	-	-	560 301	593 685	619 851	-	1 051 557	1 044 111	1 090 129	20 000	25 000	30 000	675 462	753 681	2 317 320	2 426 477	2 525 864	
B	GT421 Enidleni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	201 274	214 208	224 268	
B	GT422 Mofaal	-	-	-	-	-	-	-	-	-	10 000	-	-	-	-	83 501	79 773	78 102	
B	GT423 Lesseli	-	-	-	-	-	-	-	-	-	-	-	-	-	-	91 116	73 572	70 690	
C	DC42 Sedibeng District Municipality	-	-	-	-	-	-	-	-	-	10 000	-	-	-	-	2 489	2 612	2 615	
Total: Sedibeng Municipalities		-	-	-	-	-	-	-	-	-	10 000	-	-	-	-	378 380	370 165	375 675	
B	GT481 Morija City	142 974	134 312	-	-	-	-	-	-	-	15 000	20 000	25 000	-	-	221 487	213 472	227 967	
B	GT484 Maragang City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121 254	133 070	139 104	
B	GT485 Rand West City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	170 142	218 777	212 836	
C	DC48 West Rand District Municipality	-	-	-	-	-	-	-	-	-	15 000	20 000	25 000	-	-	2 651	2 651	2 783	
Total: West Rand Municipalities		142 974	134 312	140 185	140 185	140 185	140 185	140 185	140 185	140 185	15 000	20 000	25 000	25 000	25 000	515 554	568 101	582 692	
Total: Gauteng Municipalities		142 974	134 312	1 894 742	2 007 638	2 096 123	2 096 123	3 556 003	3 530 822	3 686 438	155 569	175 000	192 155	2 368 874	2 566 843	8 874 102	9 228 569	9 584 398	

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

Category	Municipality	Integrated Urban Development Grant		Informal Settlements Upgrading Partnership Grant: Municipalities		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital)		Public Transport/Network Grant		SUB-TOTAL: INFRASTRUCTURE	
		2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
LIMPOPO													
B	LIM311 Greater Giyani	-	-	-	-	-	-	-	-	-	-	82 105	87 261
B	LIM312 Greater Letaba	-	-	-	-	-	-	-	-	-	-	74 826	77 707
B	LIM313 Greater Tzaneen	-	-	-	-	-	-	-	-	-	-	115 761	122 004
B	LIM314 Rorobela	-	-	-	-	-	-	-	-	-	-	56 685	46 095
B	LIM315 Middelburg	-	-	-	-	-	-	-	-	-	-	28 150	30 170
C	DC31 Mopani District Municipality	-	-	-	-	-	-	-	-	-	-	526 487	588 823
	Total: Mopani Municipalities	-	-	-	-	-	-	-	-	-	-	864 024	956 160
B	LIM311 Mosina	-	-	-	-	-	-	-	-	-	-	36 988	41 713
B	LIM312 Thulamela	-	-	-	-	-	-	-	-	-	-	134 174	128 912
B	LIM314 Mkhambane	-	-	-	-	-	-	-	-	-	-	106 064	117 597
B	LIM315 Collins Chabane	-	-	-	-	-	-	-	-	-	-	101 758	108 889
C	DC34 Sebake District Municipality	-	-	-	-	-	-	-	-	-	-	592 353	665 652
	Total: Sebake Municipalities	-	-	-	-	-	-	-	-	-	-	971 337	1 062 763
B	LIM351 Bloubaai	-	-	-	-	-	-	-	-	-	-	56 764	74 408
B	LIM353 Molatele	-	-	-	-	-	-	-	-	-	-	47 000	47 792
B	LIM354 Polokwane	397 532	406 823	-	-	-	-	35 000	27 658	45 000	178 544	923 882	884 085
C	DC35 Capricorn District Municipality	-	-	-	-	-	-	-	-	-	-	64 085	69 628
	Total: Capricorn Municipalities	397 532	406 823	-	-	-	-	35 000	27 658	45 000	178 544	1 443 852	1 424 054
B	LIM361 Thabazimbi	-	-	-	-	-	-	-	-	-	-	56 960	82 573
B	LIM362 Leribe	-	-	-	-	-	-	-	-	-	-	72 514	98 752
B	LIM366 Bela-Bela	-	-	-	-	-	-	-	-	-	-	62 280	69 140
B	LIM367 Mopani	-	-	-	-	-	-	-	-	-	-	227 710	232 367
B	LIM368 Mookgongong	-	-	-	-	-	-	-	-	-	-	40 617	68 724
C	DC36 Waterberg District Municipality	-	-	-	-	-	-	-	-	-	-	2 179	2 284
	Total: Waterberg Municipalities	-	-	-	-	-	-	-	-	-	-	462 260	553 840
B	LIM371 Ephraim Mogale	-	-	-	-	-	-	-	-	-	-	39 204	42 821
B	LIM372 Elias Moseotali	-	-	-	-	-	-	-	-	-	-	79 332	72 606
B	LIM373 Makhadamanang	-	-	-	-	-	-	-	-	-	-	85 627	70 915
B	LIM376 Frankengom Tlosoe	-	-	-	-	-	-	-	-	-	-	119 240	106 588
C	DC37 Sekake District Municipality	-	-	-	-	-	-	-	-	-	-	506 393	611 682
	Total: Sekake Municipalities	-	-	-	-	-	-	-	-	-	-	829 796	904 612
	Total: Limpopo Municipalities	397 532	389 347	406 823	-	-	-	35 000	27 658	45 000	178 544	4 501 269	4 899 329
MPUMALANGA													
B	MP201 Chief Albert Luthuli	-	-	-	-	-	-	-	-	-	-	313 076	282 451
B	MP202 Mookgongong	-	-	-	-	-	-	-	-	-	-	201 718	281 055
B	MP203 Mthombo	-	-	-	-	-	-	-	-	-	-	189 196	156 625
B	MP204 Dr Pholeka Isaka Seme	-	-	-	-	-	-	-	-	-	-	112 738	81 722
B	MP205 Letaba	-	-	-	-	-	-	-	-	-	-	40 307	47 514
B	MP206 Dipaleeng	-	-	-	-	-	-	-	-	-	-	54 461	39 943
B	MP207 Gwan Meki	-	-	-	-	-	-	-	-	-	-	128 893	159 932
C	DC30 Gert Sibande District Municipality	-	-	-	-	-	-	-	-	-	-	2 365	2 485
	Total: Gert Sibande Municipalities	-	-	-	-	-	-	-	-	-	-	1 042 754	1 051 723
B	MP311 Vicoor Khanye	-	-	-	-	-	-	-	-	-	-	26 134	37 976
B	MP312 Enabakhani	-	-	-	-	-	-	-	-	-	-	174 532	174 508
B	MP313 Steve Tshwete	75 218	58 924	-	-	-	-	-	-	-	-	180 218	191 588
B	MP314 Enakhezi	-	-	-	-	-	-	-	-	-	-	73 046	54 272
B	MP315 Thembisile Hani	-	-	-	-	-	-	-	-	-	-	186 198	175 661
B	MP316 Dr JS Moroka	-	-	-	-	-	-	-	-	-	-	132 482	143 602
C	DC31 Nkangala District Municipality	-	-	-	-	-	-	-	-	-	-	2 228	2 339
	Total: Nkangala Municipalities	75 218	58 924	-	-	-	-	-	-	-	-	774 838	779 946
B	MP321 Thaba Chweu	-	-	-	-	-	-	-	-	-	-	74 982	103 907
B	MP324 Nkomozzi	-	-	-	-	-	-	-	-	-	-	383 968	386 081
B	MP325 Bushabridge	-	-	-	-	-	-	-	-	-	-	460 689	488 851
B	MP326 City of Mookgongong	-	-	-	-	-	-	30 000	5 000	5 000	-	499 135	543 361
C	DC32 Elandeni District Municipality	-	-	-	-	-	-	-	-	-	-	2 403	2 522
	Total: Elandeni Municipalities	-	-	-	-	-	-	30 000	5 000	5 000	-	1 421 177	1 524 722
	Total: Mpumalanga Municipalities	75 218	58 924	-	-	-	-	30 000	5 000	5 000	-	3 238 769	3 339 898

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

Category	Municipality	Integrated Urban Development Grant		Informal Settlements Upgrading Partnership Grant: Municipalities		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital)		Public Transport Network Grant		SUB-TOTAL: INFRASTRUCTURE	
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)
NORTHERN CAPE													
B	NC061 Richtersveld	-	-	-	-	-	-	-	-	-	-	24 480	24 697
B	NC062 Nama-Khoi	-	-	-	-	-	-	-	-	-	-	21 962	21 601
B	NC064 Kamiesberg	-	-	-	-	-	-	-	-	-	-	12 708	18 845
B	NC065 Hartam	-	-	-	-	-	-	-	-	-	-	23 051	25 493
B	NC066 Karoo Hoogland	-	-	-	-	-	-	-	-	-	-	18 276	10 562
B	NC067 Riviër-Ma	-	-	-	-	-	-	-	-	-	-	19 942	20 200
B	NC068 Naniwa	-	-	-	-	-	-	-	-	-	-	4 877	3 114
C	DC 8 - Namakwa District Municipality	-	-	-	-	-	-	-	-	-	-	12 386	12 496
C	DC 9 - Northern Cape District Municipality	-	-	-	-	-	-	-	-	-	-	3 114	11 112
Total: Northern Cape Municipalities												123 286	124 106
B	NC071 Uitenhage	-	-	-	-	-	-	-	-	-	-	24 274	26 735
B	NC072 Umsobomvu	-	-	-	-	-	-	-	-	-	-	18 887	25 488
B	NC073 Erasmusburg	-	-	-	-	-	-	-	-	-	-	27 586	29 331
B	NC074 Knersberg	-	-	-	-	-	-	-	-	-	-	62 146	15 506
B	NC075 Rensberge	-	-	-	-	-	-	-	-	-	-	12 631	19 862
B	NC076 Theunissen	-	-	-	-	-	-	-	-	-	-	16 722	27 134
B	NC077 Strydenburg	-	-	-	-	-	-	-	-	-	-	20 125	17 572
B	NC078 Strydom	-	-	-	-	-	-	-	-	-	-	41 820	35 395
B	NC079 Strydom	-	-	-	-	-	-	-	-	-	-	3 227	3 227
C	DC 7 - Pekaia, Semonwe, District Municipality	-	-	-	-	-	-	-	-	-	-	22 277	20 178
C	DC 8 - Z.F. Mgcawu District Municipality	-	-	-	-	-	-	-	-	-	-	32 596	45 097
B	NC082 Kwa-Gaib	-	-	-	-	-	-	-	-	-	-	16 040	22 567
B	NC084 Heksa	-	-	-	-	-	-	-	-	-	-	35 687	32 165
B	NC085 Tsamabane	-	-	-	-	-	-	-	-	-	-	90 594	131 612
B	NC086 Kgatelopele	-	-	-	-	-	-	-	-	-	-	58 896	55 183
B	NC087 David Krutger	-	-	-	-	-	-	-	-	-	-	2 930	3 074
C	DC 8 - Z.F. Mgcawu District Municipality	-	-	-	-	-	-	-	-	-	-	236 743	287 698
C	DC 9 - Z.F. Mgcawu District Municipality	-	-	-	-	-	-	-	-	-	-	167 766	98 625
B	NC091 Sol Plaatje	66 266	56 677	59 018	10 000	-	-	-	-	-	-	39 417	30 566
B	NC092 Digaakong	-	-	-	-	-	-	-	-	-	-	6 541	14 454
B	NC093 Nqunung	-	-	-	-	-	-	-	-	-	-	5 556	2 556
B	NC094 Nqunung	-	-	-	-	-	-	-	-	-	-	2 556	2 556
C	DC 9 - Erasmusburg District Municipality	-	-	-	-	-	-	-	-	-	-	278 869	198 741
Total: Northern Cape Municipalities		66 266	56 677	59 018	10 000	-	-	-	-	-	-	112 101	108 496
B	NC451 Joe Makoob	-	-	-	-	-	-	-	-	-	-	117 267	100 876
B	NC452 Ga-Segonyana	-	-	-	-	-	-	-	-	-	-	44 711	73 908
B	NC453 Gamaqan	-	-	-	-	-	-	-	-	-	-	2 027	2 127
C	DC 45 - John Tshepo Geseewe District Municipality	-	-	-	-	-	-	-	-	-	-	276 106	286 407
Total: John Tshepo Geseewe Municipalities												1 142 381	1 098 105
Total: Northern Cape Municipalities		66 266	56 677	59 018	10 000	14 000	-	-	-	-	-	1 142 381	1 098 105
NORTH WEST													
B	NW371 Moreskole	-	-	-	-	-	-	-	-	-	-	200 558	209 995
B	NW372 Mafikeng	-	-	-	-	-	-	-	-	-	-	317 285	351 408
B	NW373 Rusesburg	-	-	-	-	-	-	-	-	-	-	570 325	656 979
B	NW374 Kgetlengrivier	-	-	-	-	-	-	-	-	-	-	27 126	47 556
B	NW375 Mose-Koona	-	-	-	-	-	-	-	-	-	-	238 787	221 121
C	DC 37 - Botswana Platinum District Municipality	-	-	-	-	-	-	-	-	-	-	2 416	2 416
Total: Botswana Platinum Municipalities												1 556 497	1 489 531
B	NW381 Rietou	-	-	-	-	-	-	-	-	-	-	30 897	33 155
B	NW382 Eswang	-	-	-	-	-	-	-	-	-	-	34 783	45 532
B	NW383 Rietfontein	-	-	-	-	-	-	-	-	-	-	38 475	41 884
B	NW384 De Kruif	-	-	-	-	-	-	-	-	-	-	45 902	52 104
B	NW385 Rensobetsam-Melika	-	-	-	-	-	-	-	-	-	-	320 169	347 492
C	DC 38 - Nkaiela, Medija, Mofema District Municipality	-	-	-	-	-	-	-	-	-	-	554 885	591 042
Total: Nkaiela, Medija, Mofema Municipalities												22 622	33 823
B	NW392 Naledi	-	-	-	-	-	-	-	-	-	-	34 551	27 342
B	NW393 Memsam	-	-	-	-	-	-	-	-	-	-	50 218	54 163
B	NW394 Greater Tsampan	-	-	-	-	-	-	-	-	-	-	31 606	26 842
B	NW396 Letswa-Tsemane	-	-	-	-	-	-	-	-	-	-	674 293	35 313
B	NW397 Regino-Molopo	-	-	-	-	-	-	-	-	-	-	824 844	908 297
C	DC 39 - Dr. Ruth Segamane Memphong District Municipality	-	-	-	-	-	-	-	-	-	-	172 258	184 440
Total: Dr. Ruth Segamane Memphong District Municipality												69 652	66 143
B	NW403 City of Molema	-	-	-	-	-	-	-	-	-	-	89 675	111 886
B	NW404 Marais Hill	-	-	-	-	-	-	-	-	-	-	2 514	2 573
B	NW405 Jib Marks	-	-	-	-	-	-	-	-	-	-	334 079	305 042
C	DC 20 - Dr. Kenneth Kaunda District Municipality	-	-	-	-	-	-	-	-	-	-	3 074 105	3 349 522
Total: Dr. Kenneth Kaunda Municipalities												3 074 105	3 349 522
Total: North West Municipalities												3 074 105	3 349 522

ANNEXURE W5

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

Category	Municipality	Integrated Urban Development Grant		Informal Settlements Upgrading Partnership Grant: Municipalities		Urban Settlements Development Grant		Neighbourhood Development Partnership Grant (Capital)		Public Transport Network Grant		SUB-TOTAL: INFRASTRUCTURE				
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	
WESTERN CAPE																
A	CPT - City of Cape Town	-	-	518 140	549 012	573 210	972 431	965 545	1 008 100	50 000	50 000	2 288 640	1 908 792	3 483 349	3 360 065	
B	WC011 - Matielanda	-	-	-	-	-	-	-	-	-	-	-	71 904	50 534	56 269	
B	WC012 - Cederberg	-	-	-	-	-	-	-	-	-	-	-	37 920	37 309	38 898	
B	WC013 - Bergvliet	-	-	-	-	-	-	-	-	-	-	-	22 730	31 017	21 545	
B	WC014 - Sidalana Bay	-	-	-	-	-	-	-	-	-	-	-	25 386	24 634	25 432	
B	WC015 - Swartland	-	-	-	-	-	-	-	-	-	-	-	30 656	28 810	29 711	
C	DC1 - West Coast District Municipality	-	-	-	-	-	-	-	-	-	-	-	2 386	2 714	2 717	
Total: West Coast Municipalities																
B	WC022 - Wizenberg	-	-	-	-	-	-	-	-	-	-	-	57 742	47 452	30 054	
B	WC023 - Dakenstein	-	39 773	-	-	-	-	-	-	-	-	-	77 316	63 773	60 344	
B	WC024 - Stellenbosch	59 256	40 508	42 114	-	-	-	-	-	-	-	-	74 941	46 508	48 114	
B	WC025 - Beale Valley	56 941	-	-	-	-	-	-	-	-	-	-	57 260	76 986	78 614	
B	WC026 - Langeberg	-	-	-	-	-	-	-	-	10 000	30 000	-	55 915	81 597	28 536	
C	DC2 - Cape Winelands District Municipality	-	-	-	-	-	-	-	-	-	-	-	2 748	2 884	2 887	
Total: Cape Winelands Municipalities																
B	WC031 - Theewaterskloof	116 197	80 281	83 458	-	-	-	-	-	10 000	30 000	-	325 922	319 200	248 549	
B	WC032 - Overstrand	-	-	-	-	-	-	-	-	-	-	-	48 722	45 728	36 913	
B	WC033 - Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	46 754	40 828	32 568	
B	WC034 - Swellendam	-	-	-	-	-	-	-	-	-	-	-	21 698	24 629	16 262	
C	DC3 - Overberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	31 936	28 065	17 389	
Total: Overberg Municipalities																
B	WC041 - Kamaland	-	-	-	-	-	-	-	-	-	-	-	23 293	22 635	35 374	
B	WC042 - Hessequa	-	-	-	-	-	-	-	-	-	-	-	18 681	16 982	18 461	
B	WC043 - Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	35 303	39 046	40 102	
B	WC044 - George	-	-	-	-	-	-	-	-	183 379	137 315	-	243 823	199 822	202 619	
B	WC045 - Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	25 981	29 325	31 720	
B	WC047 - Bloubaai	-	-	-	-	-	-	-	-	-	-	-	29 513	38 508	34 347	
B	WC048 - Knysna	-	-	-	-	-	-	-	-	10 000	15 000	-	41 367	72 405	82 222	
C	DC4 - Garden Route District Municipality	-	-	-	-	-	-	-	-	10 000	15 000	-	2 478	2 601	2 604	
Total: Garden Route Municipalities																
B	WC051 - Langesig	-	-	-	-	-	-	-	-	10 000	15 000	183 379	137 315	420 439	447 449	
B	WC052 - Prince Albert	-	-	-	-	-	-	-	-	-	-	-	14 215	21 900	19 090	
B	WC053 - Beaufort West	-	-	-	-	-	-	-	-	-	-	-	7 718	10 956	12 098	
C	DC5 - Central Karoo District Municipality	-	-	-	-	-	-	-	-	-	-	-	20 621	26 355	22 851	
Total: Central Karoo Municipalities																
Unallocated		116 197	80 281	83 458	549 012	573 210	972 431	965 545	1 008 100	70 000	95 000	2 472 019	2 046 107	4 973 089	4 602 194	4 393 313
National Total		1 009 068	1 075 568	1 122 164	4 180 530	4 364 782	7 404 711	7 352 273	7 676 316	566 611	593 074	6 514 533	6 766 892	43 143 371	45 366 821	46 976 883

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	Municipal Systems Improvement Grant		Integrated National Electrification Programme (Estomi) Grant		Neighborhood Development Partnership Grant (Technical Assistance)		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL: INDIRECT	
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)
EASTERN CAPE													
A	BUJ	-	-	-	74 309	3 000	3 000	-	-	-	-	36 450	77 309
A	NMA	-	-	-	-	2 000	5 900	-	-	-	-	2 000	5 900
B	EC101	-	-	2 248	1 290	-	-	41 000	52 000	-	-	43 248	53 290
B	EC102	-	-	28 176	18 953	-	-	80 000	25 743	-	-	108 176	44 696
B	EC104	-	-	2 059	1 424	-	-	30 000	10 000	-	-	32 059	11 424
B	EC105	-	-	5 730	5 772	-	-	4 500	-	-	-	10 230	5 772
B	EC106	-	-	12 047	10 440	-	-	10 000	10 000	-	-	12 047	10 440
B	EC108	-	-	1 601	2 333	-	-	-	-	-	-	11 601	12 333
C	DC10	1 500	-	51 861	40 212	-	-	165 500	97 743	-	-	218 861	137 955
Total: Sarah Baartman Municipalities		1 500	-	51 861	40 212	-	-	165 500	97 743	-	-	218 861	137 955
B	EC121	-	-	122 256	109 180	-	-	-	-	-	-	122 256	109 180
B	EC122	-	-	17 480	26 229	-	-	-	-	-	-	17 480	26 229
B	EC123	-	-	5 529	6 148	-	-	-	-	-	-	5 529	6 148
B	EC124	-	-	9 689	14 283	-	-	-	-	-	-	9 689	14 283
B	EC126	-	-	6 000	6 735	-	-	-	-	-	-	6 000	6 735
B	EC129	-	-	17 801	29 859	-	-	-	-	-	-	17 801	29 859
C	DC12	4 031	5 741	178 785	192 434	-	-	155 715	282 237	-	-	159 746	289 978
Total: Amathole Municipalities		4 031	5 741	178 785	192 434	-	-	155 715	282 237	-	-	338 501	480 412
B	EC131	-	-	125	-	-	-	-	-	-	-	125	-
B	EC135	-	-	11 440	19 313	-	-	-	-	-	-	11 440	19 313
B	EC136	-	-	9 962	14 198	-	-	-	-	-	-	9 962	14 198
B	EC137	-	-	12 736	14 467	-	-	-	-	-	-	12 736	14 467
B	EC138	-	-	6 725	11 359	-	-	-	-	-	-	6 725	11 359
B	EC139	-	-	10 282	18 557	-	-	-	-	-	-	10 282	18 557
C	DC13	4 031	5 740	51 270	77 894	-	-	-	-	-	-	4 031	5 740
Total: Chris Hani Municipalities		4 031	5 740	51 270	77 894	-	-	-	-	-	-	55 501	83 634
B	EC141	-	-	44 315	54 024	-	-	-	-	-	-	44 315	54 024
B	EC142	-	-	9 789	11 260	-	-	-	-	-	-	9 789	11 260
B	EC145	-	-	-	-	-	-	-	-	-	-	-	-
C	DC14	3 031	5 741	-	-	-	-	-	-	-	-	3 031	5 741
Total: Joe Gqabi Municipalities		3 031	5 741	-	65 284	-	-	-	-	-	-	57 135	71 025
B	EC153	-	-	29 552	24 690	-	-	-	-	-	-	29 552	24 690
B	EC154	-	-	19 777	14 014	-	-	-	-	-	-	19 777	14 014
B	EC155	-	-	15 981	16 959	500	300	-	-	-	-	16 481	17 259
B	EC156	-	-	10 505	15 856	-	-	-	-	-	-	10 505	15 856
B	EC157	-	-	62 928	82 973	-	-	-	-	-	-	62 928	82 973
C	DC15	4 031	5 741	138 743	153 692	500	300	-	-	-	-	4 031	5 741
Total: O.R. Tambo Municipalities		4 031	5 741	138 743	153 692	500	300	-	-	-	-	143 274	159 723
B	EC441	-	-	27 149	29 139	-	-	-	-	-	-	27 149	29 139
B	EC442	-	-	72 781	129 981	-	-	-	-	-	-	72 781	129 981
B	EC443	-	-	31 049	23 417	-	-	-	-	-	-	31 049	23 417
B	EC444	-	-	14 617	14 034	-	-	31 000	25 003	-	-	14 617	14 034
C	DC44	3 031	5 741	145 596	196 571	-	-	31 000	25 003	-	-	3 031	5 741
Total: Alfred Nzo Municipalities		3 031	5 741	145 596	196 571	-	-	31 000	25 003	-	-	179 627	227 315
Total: Eastern Cape Municipalities		19 655	28 704	653 779	800 396	5 500	9 200	352 215	404 983	-	-	1 031 149	1 243 283
Total: Eastern Cape Municipalities		19 655	28 704	653 779	800 396	5 500	9 200	352 215	404 983	-	-	1 031 149	1 243 283

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

Category	Municipality	Municipal Systems Improvement Grant			Integrated National Electrification Programme (Eskom) Grant			Neighbourhood Development Partnership Grant (Technical Assistance)			Regional Bulk Infrastructure Grant			Water Services Infrastructure Grant			SUB-TOTAL: INDIRECT		
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
FREE STATE																			
A	MAN	Mangauw	-	9 006	10 018	-	100	300	300	-	-	-	-	-	10 386	10 318	300	-	
B	FS161	Lesemeng	-	147	154	-	-	-	-	-	-	-	-	147	154	-	-	-	
B	FS162	Kopanoeng	-	167	175	-	-	-	-	-	-	-	-	10 000	175	-	-	-	
B	FS163	Mobokare	-	127	132	-	-	-	-	-	-	-	-	5 000	132	-	-	-	
C	DC16	Xhariep District Municipality	-	-	-	-	-	-	-	-	-	-	-	1 260	-	-	-	-	
	Total: Xhariep Municipalities		-	441	461	-	-	-	-	-	-	-	-	15 000	461	-	-	-	
B	FS181	Masiyonyama	-	420	857	27 475	-	-	-	80 000	130 000	180 000	-	10 000	90 420	130 857	207 475	-	
B	FS182	Tobologo	-	126	133	-	-	-	-	105 733	90 000	100 000	-	-	105 859	90 133	100 000	-	
B	FS183	Tsewelopele	-	126	435	10 058	-	-	-	30 000	13 329	60 000	-	-	30 126	13 764	10 058	-	
B	FS184	Majabang	-	23 433	23 124	110	-	-	-	30 000	100 000	158 999	-	-	53 433	123 124	159 109	-	
B	FS185	Nala	-	164	579	15 311	-	-	-	-	-	-	-	164	579	15 311	-		
C	DC18	Lepelapeitama District Municipality	-	-	-	-	-	-	-	-	-	-	-	4 260	-	-	-	-	
	Total: Lepelapeitama Municipalities		-	24 269	25 128	52 954	-	-	-	245 733	333 329	438 999	-	10 000	284 262	358 457	491 953	-	
B	FS191	Setesoro	-	308	10 547	17 889	-	-	-	219 214	90 000	155 900	-	10 000	229 522	10 547	17 889	-	
B	FS192	Dihlabeng	-	187	558	472	-	-	-	30 000	90 000	90 000	-	-	30 187	90 558	156 372	-	
B	FS193	Nkaxana	-	893	10 127	8 382	-	-	-	248 369	90 000	50 000	-	-	249 262	100 127	58 382	-	
B	FS194	Matlisa-Phofing	-	8 268	8 787	4 191	-	-	-	79 000	50 000	60 000	-	-	126 268	58 787	64 191	-	
B	FS195	Phumela	-	8 159	133	-	-	-	-	14 000	-	-	-	-	8 159	133	-	-	
B	FS196	Mantsopa	-	4 030	6 696	-	-	-	-	-	-	-	-	4 260	18 030	6 696	-	-	
C	DC19	Thabo Mofutsanyana District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total: Thabo Mofutsanyana Municipalities		-	21 845	36 848	30 934	-	-	-	590 583	230 000	265 900	-	49 000	665 688	266 848	296 834	-	
B	FS201	Moghaka	-	9 140	133	-	-	-	-	-	-	-	-	11 000	20 140	133	-	-	
B	FS203	Nqathu	-	75	78	-	-	-	-	-	-	-	-	75	78	-	-	-	
B	FS204	Mesemhlabu	-	-	97	-	-	-	-	40 000	-	-	-	40 000	-	-	-	-	
B	FS205	Matibe	-	92	-	-	-	-	-	75 000	60 000	20 000	-	5 000	80 092	60 097	20 000	-	
C	DC20	Ficksburg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	3 290	-	-	-	
	Total: Ficksburg Municipalities		-	9 307	308	-	-	-	-	115 000	60 000	20 000	-	16 000	143 597	60 308	20 000	-	
	Total: Free State Municipalities		-	64 868	72 763	83 888	100	300	300	951 316	623 329	724 899	-	90 000	1 120 614	696 392	809 087	-	
GAUTENG																			
A	EKU	City of Ekurhuleni	-	35 389	144 346	45 379	5 000	5 000	6 000	-	-	-	-	-	40 389	149 346	51 379	-	
A	JHB	City of Johannesburg	-	20 261	1 683	35 267	3 000	1 200	6 000	-	-	-	-	-	23 261	2 883	41 267	-	
A	TSH	City of Tshwane	-	3 671	6 528	23 097	4 000	684	5 000	-	-	-	-	-	7 671	7 212	28 097	-	
B	GT421	Enidleni	-	13 678	3 055	13 044	8 254	13 184	15 000	277 407	708 370	716 279	-	65 414	334 100	790 023	809 548	-	
B	GT422	Midvaal	-	-	-	-	100	300	300	90 000	10 000	-	-	-	90 100	10 300	300	-	
C	DC42	Sedibeng District Municipality	-	-	-	-	-	-	-	-	-	-	-	4 305	-	-	-	-	
	Total: Sedibeng Municipalities		-	13 678	3 055	13 044	8 354	13 484	15 300	367 407	718 370	716 279	-	65 414	428 505	800 323	809 848	-	
B	GT481	Mogale City	-	25 633	25 260	50 969	100	3 000	3 000	-	-	-	-	-	25 733	28 260	53 969	-	
B	GT484	Merfong City	-	2 037	34 130	60 644	-	-	-	-	-	-	-	-	2 037	34 130	60 644	-	
B	GT485	Rand West City	-	5 385	3 288	869	900	300	300	70 000	200 000	250 000	-	-	76 285	203 588	251 169	-	
C	DC48	West Rand District Municipality	-	-	-	-	23 136	1 000	1 000	-	-	-	-	-	26 081	1 000	1 000	-	
	Total: West Rand Municipalities		-	35 055	62 678	112 482	24 136	4 300	4 300	70 000	200 000	250 000	-	-	130 136	266 978	366 782	-	
	Total: Gauteng Municipalities		-	106 054	218 290	229 269	44 490	24 668	36 000	437 407	918 370	966 279	-	65 414	629 962	1 226 742	1 297 373	-	

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

Category	Municipality	Municipal Systems Improvement Grant		Integrated National Development Programme (Urban Grant)		Neighbourhood Development Programme (Technical Assistance)		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL: INDIBRICT	
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)
SOUTHERN CAPE													
B	NC061 Richtersveld	-	-	-	-	-	-	-	-	-	-	-	-
B	NC062 Nama Khoi	-	-	-	-	-	-	-	-	-	-	-	-
B	NC064 Kamiesberg	-	-	-	-	-	-	-	-	-	-	-	-
B	NC065 Hanam	-	-	-	-	-	-	-	-	-	-	-	-
B	NC066 Karoo Hoogland	-	-	-	-	-	-	-	-	-	-	-	-
B	NC067 Riviersonoosdorp	-	-	-	-	-	-	-	-	-	-	-	-
C	DC7 - Port Alfred District Municipality	3 000	-	-	-	-	-	-	-	-	-	-	-
	Total: Southern Cape Municipalities	3 000	828	-	31 044	-	-	-	-	-	-	-	31 044
B	NC071 Uitenhage	-	-	-	-	-	-	-	-	-	-	-	-
B	NC072 Unisothona	-	-	-	-	-	-	-	-	-	-	-	-
B	NC073 Erasmengat	-	-	-	-	-	-	-	-	-	-	-	-
B	NC074 Kaniemang	-	-	-	-	-	-	-	-	-	-	-	-
B	NC075 Rensfontein	-	-	-	-	-	-	-	-	-	-	-	-
B	NC076 Theunissen	-	-	-	-	-	-	-	-	-	-	-	-
B	NC077 Theunissen	-	-	-	-	-	-	-	-	-	-	-	-
B	NC078 Theunissen	-	-	-	-	-	-	-	-	-	-	-	-
B	NC079 Theunissen	-	-	-	-	-	-	-	-	-	-	-	-
B	NC078 Theunissen	-	-	-	-	-	-	-	-	-	-	-	-
C	DC7 - Port Alfred District Municipality	1 500	-	-	-	-	-	-	-	-	-	-	-
	Total: Port Alfred District Municipality	1 500	11 905	-	5 086	-	-	-	-	-	-	-	19 991
B	NC082 Kai Gaurib	-	-	-	-	-	-	-	-	-	-	-	-
B	NC084 IKbes	-	-	-	-	-	-	-	-	-	-	-	-
B	NC085 Tsarabane	-	-	-	-	-	-	-	-	-	-	-	-
B	NC088 Ragsdale	-	-	-	-	-	-	-	-	-	-	-	-
B	NC089 Ragsdale	-	-	-	-	-	-	-	-	-	-	-	-
B	NC094 Phokwane	-	-	-	-	-	-	-	-	-	-	-	-
C	DC9 - Frances Baard District Municipality	4 000	-	-	-	-	-	-	-	-	-	-	-
	Total: Frances Baard District Municipality	4 000	20	7 203	15 023	300	3 000	16 945	13 055	-	-	-	21 475
B	NC091 Sol Plaatje	-	-	-	-	-	-	-	-	-	-	-	-
B	NC092 Dikgatlong	-	-	-	-	-	-	-	-	-	-	-	-
B	NC093 Magerang	-	-	-	-	-	-	-	-	-	-	-	-
B	NC094 Phokwane	-	-	-	-	-	-	-	-	-	-	-	-
C	DC9 - Frances Baard District Municipality	4 000	-	-	-	-	-	-	-	-	-	-	-
	Total: Frances Baard District Municipality	4 000	20	7 203	15 023	300	3 000	16 945	13 055	-	-	-	21 475
B	NC051 Joe Moleleke	-	-	-	-	-	-	-	-	-	-	-	-
B	NC052 Gx-Sagayana	-	-	-	-	-	-	-	-	-	-	-	-
B	NC053 Gx-Sagayana	-	-	-	-	-	-	-	-	-	-	-	-
B	NC054 Gx-Sagayana	-	-	-	-	-	-	-	-	-	-	-	-
C	DC05 - John Tshepo District Municipality	1 500	-	-	-	-	-	-	-	-	-	-	-
	Total: John Tshepo District Municipality	1 500	150 067	198 094	18 613	-	-	-	-	-	-	-	151 667
	Total: John Tshepo District Municipality	1 500	150 067	198 094	18 613	-	-	-	-	-	-	-	151 667
	Total: Northern Cape Municipalities	11 500	165 850	218 290	115 800	465	3 300	49 021	54 643	54 642	-	-	227 246
B	NW371 Moretele	-	-	-	-	-	-	-	-	-	-	-	-
B	NW372 Mafikeng	-	-	-	-	-	-	-	-	-	-	-	-
B	NW373 Ramotswa	-	-	-	-	-	-	-	-	-	-	-	-
B	NW374 Kgatleng	-	-	-	-	-	-	-	-	-	-	-	-
B	NW375 Moes Koma	-	-	-	-	-	-	-	-	-	-	-	-
C	DC37 - Botswana/Panama District Municipality	4 500	-	-	-	-	-	-	-	-	-	-	-
	Total: Botswana/Panama District Municipality	4 500	120 235	93 630	138 860	100	300	208 041	145 000	155 252	90 000	94 230	422 276
B	NW380 Reduo	-	-	-	-	-	-	-	-	-	-	-	-
B	NW382 Tswang	-	-	-	-	-	-	-	-	-	-	-	-
B	NW383 Mafikeng	-	-	-	-	-	-	-	-	-	-	-	-
B	NW384 Dikobela	-	-	-	-	-	-	-	-	-	-	-	-
B	NW385 Ramotho	-	-	-	-	-	-	-	-	-	-	-	-
C	DC38 - Ngaka Modiri Molema District Municipality	4 020	-	-	-	-	-	-	-	-	-	-	-
	Total: Ngaka Modiri Molema District Municipality	4 020	5 740	5 994	5 994	100	300	208 041	145 000	155 252	90 000	94 230	422 276
B	NW390 Naledi	-	-	-	-	-	-	-	-	-	-	-	-
B	NW395 Mafikeng	-	-	-	-	-	-	-	-	-	-	-	-
B	NW396 Letlamo	-	-	-	-	-	-	-	-	-	-	-	-
B	NW397 Kgama-Molopo	-	-	-	-	-	-	-	-	-	-	-	-
C	DC39 - Dr Ruth Segomotsi Mompati District Municipality	3 031	-	-	-	-	-	-	-	-	-	-	-
	Total: Dr Ruth Segomotsi Mompati District Municipality	3 031	5 740	5 994	5 994	100	300	208 041	145 000	155 252	90 000	94 230	422 276
B	NW400 City of Mafikeng	-	-	-	-	-	-	-	-	-	-	-	-
B	NW405 Mafikeng Hills	-	-	-	-	-	-	-	-	-	-	-	-
B	NW406 Mafikeng Hills	-	-	-	-	-	-	-	-	-	-	-	-
C	DC40 - Dr Kenneth Kaunda District Municipality	1 500	-	-	-	-	-	-	-	-	-	-	-
	Total: Dr Kenneth Kaunda District Municipality	1 500	45 430	659	24 147	800	800	44 405	50 000	52 937	-	-	95 323
	Total: Northern Cape Municipalities	11 500	11 998	11 998	11 998	3 500	3 500	342 534	250 936	257 189	166 529	174 108	885 908
	Total: Northern Cape Municipalities	11 500	11 998	11 998	11 998	3 500	3 500	342 534	250 936	257 189	166 529	174 108	885 908

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

Category	Municipality	Municipal Systems Improvement Grant		Integrated National Electrification Programme (Eskom) Grant		Neighbourhood Development Partnership Grant (Technical Assistance)		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL: INDIRECT		
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	
WESTERN CAPE														
A	CPT City of Cape Town	-	-	85 038	154 543	173 148	5 000	5 000	6 000	-	-	90 038	159 543	179 148
B	WC011 Matieland	-	-	-	-	-	-	-	-	-	-	-	15 197	15 153
B	WC012 Cedarberg	-	-	9 072	10 458	10 759	-	-	15 153	-	-	31 045	10 458	10 759
B	WC013 Bergriver	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC014 Saldanha Bay	-	-	10 994	-	-	-	-	-	-	-	10 994	-	-
B	WC015 Swardland	-	-	4 031	4 009	-	-	-	-	-	-	4 031	4 009	-
C	DC1 West Coast District Municipality	-	-	24 097	14 467	10 759	-	-	15 153	-	-	46 070	29 664	25 912
Total: West Coast Municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC022 Wizenberg	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC023 Dikensstein	-	-	-	-	-	1 200	300	300	-	-	1 200	300	300
B	WC024 Stellenbosch	-	-	2 843	267	-	-	-	-	-	-	2 843	267	-
B	WC025 Breck Valley	-	-	4 593	1 336	-	-	-	-	-	-	4 593	1 336	-
B	WC026 Langberg	-	-	-	-	500	500	500	-	-	-	-	500	500
C	DC2 Cape Winelands District Municipality	500	-	-	-	-	-	-	-	-	-	500	-	-
Total: Cape Winelands Municipalities		500	-	7 436	1 603	-	1 200	800	800	-	-	9 136	2 403	800
B	WC031 Theewaterskloof	-	-	10 189	1 603	-	-	-	-	-	-	10 189	1 603	-
B	WC032 Overstrand	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC033 Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC034 Swellendam	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC3 Overberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Overberg Municipalities		-	-	10 189	1 603	-	-	-	-	-	-	10 189	1 603	-
B	WC041 Kamalind	-	-	284	-	-	-	-	-	-	-	284	-	-
B	WC042 Hessequa	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC043 Mossel Bay	-	-	245	6 485	-	-	-	-	-	-	245	6 485	-
B	WC044 George	-	-	4 204	3 207	-	-	-	-	-	-	4 204	3 207	-
B	WC045 Outshoorn	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC047 Bitou	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC048 Knysna	-	-	-	-	-	1 000	500	500	-	-	1 000	500	500
C	DC4 Garden Route District Municipality	4 500	-	4 733	9 692	-	1 000	500	500	-	-	4 500	10 192	500
Total: Garden Route Municipalities		4 500	-	4 733	9 692	-	1 000	500	500	-	-	10 233	10 192	500
B	WC051 Langsburg	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC052 Prince Albert	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC053 Beaufort West	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC5 Central Karoo District Municipality	2 000	-	-	-	-	-	-	-	-	-	2 000	-	-
Total: Central Karoo Municipalities		2 000	-	-	-	-	-	-	-	-	-	2 000	-	-
Total: Western Cape Municipalities		7 000	-	131 493	181 908	183 907	7 200	6 300	7 300	-	-	167 666	203 405	206 360
Unallocated		-	14 033	-	-	-	-	-	-	-	-	-	14 033	14 651
National Total		135 302	140 331	2 824 257	3 638 162	3 821 156	90 755	100 526	100 902	3 274 930	3 550 050	7 054 936	8 200 405	8 481 233

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

(National and Municipal Financial Years)

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
EASTERN CAPE							
A	BUF Buffalo City	936 811	989 074	983 479	1 784 965	1 896 847	1 905 564
A	NMA Nelson Mandela Bay	1 143 807	1 217 203	1 223 200	2 393 667	2 529 880	2 582 303
B	EC101 Dr Beyers Naude	99 316	103 983	102 434	187 780	205 122	225 717
B	EC102 Blue Crane Route	58 178	60 645	59 496	97 889	98 250	108 216
B	EC104 Makana	103 061	108 396	107 289	270 986	214 590	211 452
B	EC105 Ndlambe	107 582	113 618	112 792	207 098	178 619	185 275
B	EC106 Sundays River Valley	90 418	96 445	96 817	175 761	164 484	162 726
B	EC108 Kouga	143 774	154 809	157 207	200 177	209 969	218 211
B	EC109 Kou-Kamma	54 362	57 145	56 633	87 278	91 125	83 904
C	DC10 Sarah Baartman District Municipality	100 709	104 065	105 653	106 573	107 467	109 062
Total: Sarah Baartman Municipalities		757 400	799 106	798 321	1 333 542	1 269 626	1 304 563
B	EC121 Mbhashe	271 935	282 516	272 673	467 900	479 874	490 202
B	EC122 Mquma	282 161	293 080	282 763	379 189	402 637	398 941
B	EC123 Great Kei	46 595	48 464	47 298	67 289	77 777	79 395
B	EC124 Amahlathi	115 504	120 048	116 230	158 114	178 232	175 287
B	EC126 Ngqushwa	90 290	93 872	91 052	126 188	138 905	138 155
B	EC129 Raymond Mhlaba	189 927	197 337	190 591	254 561	284 548	267 407
C	DC12 Amathole District Municipality	939 262	994 975	1 019 148	1 636 532	1 856 964	1 861 749
Total: Amathole Municipalities		1 935 674	2 030 292	2 019 755	3 089 773	3 418 937	3 411 136
B	EC131 Inxuba Yethemba	46 699	48 673	47 770	68 251	82 586	81 297
B	EC135 Intsika Yethu	173 443	180 243	174 227	240 678	260 529	251 951
B	EC136 Emalahleni	135 035	140 356	135 805	204 815	205 569	199 056
B	EC137 Engcobo	161 714	168 054	162 528	229 470	242 907	242 251
B	EC138 Sakhisizwe	74 331	77 258	75 015	108 111	114 048	114 014
B	EC139 Enoch Mgijima	196 899	205 164	198 535	270 905	298 494	293 567
C	DC13 Chris Hani District Municipality	600 621	632 403	633 361	1 241 944	1 123 831	1 129 578
Total: Chris Hani Municipalities		1 388 742	1 452 151	1 427 241	2 364 174	2 327 964	2 311 714
B	EC141 Elundini	166 231	172 782	167 192	275 536	297 630	279 237
B	EC142 Senqu	163 362	169 699	164 060	225 906	228 248	229 884
B	EC145 Walter Sisulu	64 368	67 623	66 811	87 519	97 631	97 586
C	DC14 Joe Gqabi District Municipality	302 992	319 392	320 072	550 503	569 223	576 554
Total: Joe Gqabi Municipalities		696 953	729 496	718 135	1 139 464	1 192 732	1 183 261
B	EC153 Ngquba Hill	283 556	296 237	287 542	373 687	387 704	390 756
B	EC154 Port St Johns	168 140	175 438	170 354	236 340	237 464	240 370
B	EC155 Nyandeni	286 893	298 811	289 218	396 077	395 140	397 150
B	EC156 Mhlontlo	200 960	208 850	201 748	281 266	294 345	285 356
B	EC157 King Sabata Dalindyebo	365 575	383 697	374 179	531 684	597 811	586 864
C	DC15 O.R. Tambo District Municipality	950 456	1 004 726	1 008 071	1 976 209	2 211 876	2 330 204
Total: O.R. Tambo Municipalities		2 255 580	2 367 759	2 331 112	3 795 263	4 124 340	4 230 700
B	EC441 Matatiele	258 826	270 472	262 787	437 983	422 329	422 350
B	EC442 Umzimvubu	238 026	247 612	239 427	397 891	467 099	454 433
B	EC443 Mbizana	289 620	304 052	296 623	405 715	419 607	433 209
B	EC444 Ntabankulu	133 703	138 980	134 533	181 481	204 240	203 625
C	DC44 Alfred Nzo District Municipality	618 487	653 836	655 844	1 184 826	1 227 608	1 274 842
Total: Alfred Nzo Municipalities		1 538 662	1 614 952	1 589 214	2 607 896	2 740 883	2 788 459
Total: Eastern Cape Municipalities		10 653 629	11 200 033	11 090 457	18 508 744	19 501 209	19 717 700

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
FREE STATE							
A	MAN Mangaung	830 046	886 647	894 449	1 843 572	1 927 667	1 970 529
B	FS161 Letsemeng	70 307	73 986	73 294	123 736	127 917	125 312
B	FS162 Kopanong	93 005	97 287	95 720	160 068	150 230	147 632
B	FS163 Mohokare	76 781	81 272	80 887	164 239	141 983	132 997
C	DC16 Xhariep District Municipality	47 192	48 910	49 450	53 442	52 934	53 477
Total: Xhariep Municipalities		287 285	301 455	299 351	501 485	473 064	459 418
B	FS181 Masilonyana	133 179	140 949	139 848	263 676	318 289	394 049
B	FS182 Tokologo	59 970	62 890	62 094	200 941	196 075	207 792
B	FS183 Tswelopele	81 535	85 462	84 165	143 938	134 858	131 569
B	FS184 Matjhabeng	561 595	594 725	592 323	779 161	893 378	930 443
B	FS185 Nala	132 571	138 196	135 177	183 502	189 842	204 236
C	DC18 Lejweleputswa District Municipality	138 217	142 777	144 990	146 987	146 224	148 440
Total: Lejweleputswa Municipalities		1 107 067	1 164 999	1 158 597	1 718 205	1 878 666	2 016 529
B	FS191 Setsoto	212 318	223 221	220 141	638 546	457 601	465 435
B	FS192 Dihlabeng	186 348	198 883	199 343	286 643	361 386	431 175
B	FS193 Nketoana	108 738	115 190	114 635	413 346	272 875	228 190
B	FS194 Maluti-a-Phofung	668 457	705 606	695 378	1 041 502	1 006 342	1 008 125
B	FS195 Phumelela	83 614	88 072	87 204	153 846	134 152	138 487
B	FS196 Mantsopa	91 947	97 001	96 181	150 100	143 792	137 811
C	DC19 Thabo Mofutsanyana District Municipality	126 106	131 006	132 619	144 672	135 886	137 501
Total: Thabo Mofutsanyana Municipalities		1 477 528	1 558 979	1 545 501	2 828 655	2 512 034	2 546 724
B	FS201 Moqhaka	230 417	244 368	243 008	314 485	305 687	311 215
B	FS203 Ngwathe	215 960	228 640	226 559	380 368	365 888	387 281
B	FS204 Metsimaholo	214 398	232 924	238 149	353 155	323 746	329 043
B	FS205 Mafube	107 146	113 358	112 620	243 633	233 644	190 717
C	DC20 Fezile Dabi District Municipality	164 035	168 394	171 912	174 761	176 041	175 561
Total: Fezile Dabi Municipalities		931 956	987 684	992 248	1 466 402	1 405 006	1 393 817
Total: Free State Municipalities		4 633 882	4 899 764	4 890 146	8 358 319	8 196 437	8 387 017
GAUTENG							
A	EKU City of Ekurhuleni	4 026 213	4 352 947	4 444 109	6 817 848	7 367 792	7 479 423
A	JHB City of Johannesburg	5 467 766	5 933 195	6 079 700	8 579 303	9 089 772	9 399 055
A	TSH City of Tshwane	3 088 576	3 355 458	3 442 390	5 490 073	5 849 898	6 059 623
B	GT421 Emfuleni	863 908	917 950	919 678	1 404 742	1 924 381	1 955 694
B	GT422 Midvaal	124 899	135 647	139 570	301 589	227 270	219 522
B	GT423 Lesedi	157 951	172 194	177 020	251 917	247 716	249 660
C	DC42 Sedibeng District Municipality	285 545	293 350	299 510	294 562	297 362	303 525
Total: Sedibeng Municipalities		1 432 303	1 519 141	1 535 778	2 252 810	2 696 729	2 728 401
B	GT481 Mogale City	471 790	509 779	520 151	728 262	753 161	803 787
B	GT484 Merafong City	229 859	244 925	246 009	355 700	414 975	448 607
B	GT485 Rand West City	346 639	371 750	375 715	598 199	796 415	842 020
C	DC48 West Rand District Municipality	222 589	229 646	234 445	253 411	234 628	239 430
Total: West Rand Municipalities		1 270 877	1 356 100	1 376 320	1 935 572	2 199 179	2 333 844
Total: Gauteng Municipalities		15 285 735	16 516 841	16 878 297	25 075 606	27 203 370	28 000 346

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
KWAZULU-NATAL							
A	ETH eThekweni	3 580 447	3 833 502	3 876 627	6 577 310	6 938 075	7 090 739
B	KZN212 uMdoni	147 611	155 462	152 557	263 196	259 924	299 881
B	KZN213 uMzumbe	143 164	148 827	143 964	231 141	253 137	221 432
B	KZN214 uMuziwabantu	100 390	104 851	102 159	156 357	163 926	147 424
B	KZN216 Ray Nkonyeni	233 214	247 777	245 233	391 214	383 947	409 765
C	DC21 Ugu District Municipality	524 364	559 208	568 161	863 351	907 129	939 381
Total: Ugu Municipalities		1 148 743	1 216 125	1 212 074	1 905 259	1 968 063	2 017 883
B	KZN221 uMshwathi	113 010	118 617	116 293	153 883	160 606	165 976
B	KZN222 uMngeni	77 509	83 478	84 839	122 841	120 014	122 372
B	KZN223 Mpofana	39 181	40 979	40 326	57 876	66 093	64 829
B	KZN224 iMpendle	38 934	40 478	39 659	66 036	62 631	63 184
B	KZN225 Msunduzi	616 262	657 866	661 903	972 512	1 033 684	1 059 251
B	KZN226 Mkhambathini	70 470	74 392	73 459	117 514	103 173	104 853
B	KZN227 Richmond	78 424	82 843	81 817	111 621	112 304	115 784
C	DC22 uMgungundlovu District Municipality	608 552	652 169	677 625	810 830	853 250	885 410
Total: uMgungundlovu Municipalities		1 642 342	1 750 822	1 775 921	2 413 113	2 511 755	2 581 659
B	KZN235 Okhahlamba	137 472	143 542	139 567	184 969	184 283	187 499
B	KZN237 iNkosi Langalibalele	197 401	207 765	203 543	244 455	307 279	259 338
B	KZN238 Alfred Duma	258 163	271 016	264 406	371 382	361 945	393 167
C	DC23 uThukela District Municipality	485 156	515 270	520 911	777 205	818 063	843 848
Total: uThukela Municipalities		1 078 192	1 137 593	1 128 427	1 578 011	1 671 570	1 683 852
B	KZN241 eNdumeni	53 751	57 554	57 965	93 853	101 285	98 759
B	KZN242 Nquthu	151 247	157 985	153 575	224 661	229 211	228 433
B	KZN244 uMsinga	182 530	191 875	187 774	242 570	258 140	247 830
B	KZN245 uMvoti	145 819	155 173	154 045	215 852	210 343	235 301
C	DC24 uMzinyathi District Municipality	402 121	430 067	437 345	703 622	740 387	763 411
Total: uMzinyathi Municipalities		935 468	992 654	990 704	1 480 558	1 539 366	1 573 734
B	KZN252 Newcastle	417 790	442 574	439 225	628 155	642 501	651 554
B	KZN253 eMadlangeni	33 467	34 919	34 298	58 316	63 773	56 320
B	KZN254 Dannhauser	100 522	104 700	101 640	144 586	137 997	138 120
C	DC25 Amajuba District Municipality	184 017	195 615	202 111	296 796	333 179	356 922
Total: Amajuba Municipalities		735 796	777 808	777 274	1 127 853	1 177 450	1 202 916
B	KZN261 eDumbe	82 382	86 186	84 207	146 477	131 644	160 079
B	KZN262 uPhongolo	153 601	162 325	159 777	207 724	213 700	213 207
B	KZN263 Abaqulusi	167 845	177 942	175 418	242 946	265 649	237 341
B	KZN265 Nongoma	170 818	178 708	173 773	225 759	227 876	235 864
B	KZN266 Ulundi	180 263	188 466	183 022	243 288	244 793	244 674
C	DC26 Zululand District Municipality	524 645	559 056	566 225	1 113 546	1 088 062	1 198 867
Total: Zululand Municipalities		1 279 554	1 352 683	1 342 422	2 179 740	2 171 724	2 290 032
B	KZN271 uMhlabayalingana	188 289	199 673	197 072	393 325	429 586	311 544
B	KZN272 Jozini	203 877	214 817	210 496	334 562	337 527	267 667
B	KZN275 Mtubatuba	188 307	200 706	198 972	276 986	300 806	447 732
B	KZN276 Big Five Hlabisa	122 043	129 270	127 563	164 581	173 233	183 216
C	DC27 uMkhanyakude District Municipality	473 222	508 558	519 064	790 575	845 906	863 277
Total: uMkhanyakude Municipalities		1 175 738	1 253 024	1 253 167	1 960 029	2 087 058	2 073 436
B	KZN281 uMfolozi	147 696	156 205	153 734	178 629	200 546	200 248
B	KZN282 uMhlathuze	416 124	446 872	450 639	597 552	662 835	637 576
B	KZN284 uMlalazi	206 125	216 265	211 045	271 576	290 812	297 319
B	KZN285 Mthonjaneni	86 810	90 275	87 548	136 913	142 304	127 816
B	KZN286 Nkandla	105 809	109 972	106 449	143 067	168 242	182 050
C	DC28 King Cetshwayo District Municipality	590 849	630 609	653 293	863 278	1 026 605	1 103 708
Total: King Cetshwayo Municipalities		1 553 413	1 650 198	1 662 708	2 191 015	2 491 344	2 548 717
B	KZN291 Mandeni	191 149	203 436	201 664	240 438	272 928	269 049
B	KZN292 KwaDukuza	198 138	215 730	220 454	263 249	287 351	291 654
B	KZN293 Ndwedwe	165 366	174 125	170 623	220 002	249 490	230 552
B	KZN294 Maphumulo	98 940	102 814	99 633	151 183	139 650	153 168
C	DC29 iLembe District Municipality	600 260	648 716	668 071	875 084	959 367	989 344
Total: iLembe Municipalities		1 253 853	1 344 821	1 360 445	1 749 956	1 908 786	1 933 767
B	KZN433 Greater Kokstad	68 350	71 856	70 920	116 889	121 967	105 717
B	KZN434 uBuhlebezwe	121 143	126 371	122 823	164 756	168 612	174 487
B	KZN435 uMzimkhulu	210 352	220 826	215 654	277 533	295 588	315 360
B	KZN436 Dr Nkosazana Dlamini Zuma	139 476	146 163	142 669	192 977	187 671	240 297
C	DC43 Harry Gwala District Municipality	387 013	410 807	414 421	702 695	766 146	783 838
Total: Harry Gwala Municipalities		926 334	976 023	966 487	1 454 850	1 539 984	1 621 699
Total: KwaZulu-Natal Municipalities		15 309 880	16 285 253	16 346 256	24 617 694	26 005 175	26 618 434

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
LIMPOPO							
B	LIM331 Greater Giyani	320 318	336 803	329 103	425 535	449 358	441 362
B	LIM332 Greater Letaba	310 748	326 998	319 868	399 376	417 825	408 044
B	LIM333 Greater Tzaneen	432 618	457 630	449 515	576 408	591 236	597 491
B	LIM334 Ba-Phalaborwa	171 127	181 556	179 505	239 719	239 679	248 851
B	LIM335 Maruleng	139 743	147 414	144 861	179 475	194 054	186 893
C	DC33 Mopani District Municipality	1 044 405	1 116 401	1 134 210	2 048 767	2 376 857	2 451 316
Total: Mopani Municipalities		2 418 959	2 566 802	2 557 062	3 869 280	4 269 009	4 333 957
B	LIM341 Musina	169 864	184 781	187 783	226 340	238 349	249 169
B	LIM343 Thulamela	495 781	522 861	512 871	686 848	737 930	731 652
B	LIM344 Makhado	401 747	424 210	415 796	523 575	558 640	553 998
B	LIM345 Collins Chabane	412 284	433 698	424 075	539 019	564 148	574 132
C	DC34 Vhembe District Municipality	1 134 436	1 215 488	1 234 343	1 814 965	1 939 881	1 951 951
Total: Vhembe Municipalities		2 614 112	2 781 038	2 774 868	3 790 747	4 038 948	4 060 902
B	LIM351 Blouberg	203 615	211 927	205 172	267 330	293 691	288 667
B	LIM353 Molemole	155 513	161 696	156 508	212 388	215 533	220 170
B	LIM354 Polokwane	1 055 884	1 132 746	1 140 635	2 059 007	2 135 613	2 184 706
B	LIM355 Lepele-Nkumpi	275 926	288 504	280 204	353 922	381 849	368 737
C	DC35 Capricorn District Municipality	666 269	707 221	724 515	1 017 127	1 062 103	1 105 733
Total: Capricorn Municipalities		2 357 207	2 502 094	2 507 034	3 909 774	4 088 789	4 168 013
B	LIM361 Thabazimbi	107 453	115 819	118 168	254 593	296 457	301 246
B	LIM362 Lephalela	174 746	190 615	195 302	339 895	336 105	359 186
B	LIM366 Bela-Bela	104 441	112 200	113 412	180 369	205 192	189 235
B	LIM367 Mogalakwena	483 337	508 453	499 027	812 641	910 347	1 076 792
B	LIM368 Modimolle-Mookgophong	121 136	127 407	125 754	228 308	296 480	300 107
C	DC36 Waterberg District Municipality	140 217	145 116	147 932	147 794	154 141	157 213
Total: Waterberg Municipalities		1 131 330	1 199 610	1 199 595	1 963 600	2 198 722	2 383 779
B	LIM471 Ephraim Mogale	162 471	171 236	168 018	216 112	226 665	221 256
B	LIM472 Elias Motsaedi	302 788	319 776	313 727	401 122	407 834	403 203
B	LIM473 Makhuduthamaga	296 332	310 249	301 818	417 737	395 113	393 720
B	LIM476 Fetakgomo Tubatse	478 597	511 160	505 625	668 289	690 805	656 112
C	DC47 Sekhukhune District Municipality	878 832	942 269	959 698	1 674 381	1 766 109	1 702 959
Total: Sekhukhune Municipalities		2 119 020	2 254 690	2 248 886	3 377 641	3 486 526	3 377 250
Total: Limpopo Municipalities		10 640 628	11 304 234	11 287 445	16 911 042	18 081 994	18 323 901
MPUMALANGA							
B	MP301 Chief Albert Luthuli	349 235	369 785	366 063	679 987	672 423	631 046
B	MP302 Msukaligwa	199 442	215 400	218 732	417 269	503 411	524 280
B	MP303 Mkhondo	269 849	289 222	290 571	509 142	559 931	568 361
B	MP304 Dr Pixley ka Isaka Seme	132 763	140 014	138 485	267 864	225 866	216 579
B	MP305 Lekwa	134 933	144 333	145 179	312 015	336 006	368 215
B	MP306 Dipaleseng	82 053	87 619	87 916	244 527	200 990	148 439
B	MP307 Govan Mbeki	331 028	359 071	367 809	490 239	546 783	583 288
C	DC30 Gert Sibande District Municipality	309 408	317 445	324 318	332 490	334 226	340 160
Total: Gert Sibande Municipalities		1 808 711	1 922 889	1 939 073	3 253 533	3 379 636	3 380 368
B	MP311 Victor Khanye	111 897	120 836	122 814	186 143	224 033	189 250
B	MP312 Emalaheni	426 204	466 309	481 788	630 506	688 541	706 269
B	MP313 Steve Tshwete	242 978	268 974	281 177	433 397	463 663	444 302
B	MP314 Emakhazeni	71 791	76 530	76 826	152 111	134 473	141 528
B	MP315 Thembisile Hani	458 200	487 679	484 421	770 804	830 159	838 043
B	MP316 Dr JS Moroka	419 133	439 995	431 072	573 522	642 882	699 346
C	DC31 Nkangala District Municipality	378 547	388 869	397 403	386 531	392 208	400 745
Total: Nkangala Municipalities		2 108 750	2 249 192	2 275 501	3 133 014	3 375 959	3 419 483
B	MP321 Thaba Chweu	165 565	178 532	181 339	246 500	287 757	273 552
B	MP324 Nkomazi	646 530	688 582	684 745	1 158 170	1 200 763	1 127 253
B	MP325 Bushbuckridge	879 945	929 319	915 559	1 422 898	1 441 270	1 428 503
B	MP326 City of Mbombela	834 510	897 735	907 067	1 399 039	1 571 484	1 654 602
C	DC32 Ehlanzeni District Municipality	274 698	284 784	290 122	285 540	288 306	293 647
Total: Ehlanzeni Municipalities		2 801 248	2 978 952	2 978 832	4 512 147	4 789 580	4 777 557
Total: Mpumalanga Municipalities		6 718 709	7 151 033	7 193 406	10 898 694	11 545 175	11 577 408

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
NORTHERN CAPE							
B	NC061 Richtersveld	19 237	20 447	20 604	46 367	47 794	47 981
B	NC062 Nama Khoi	52 966	55 929	55 815	79 592	80 099	111 560
B	NC064 Kamiesberg	25 023	26 186	25 967	41 806	48 231	47 694
B	NC065 Hantam	27 160	28 547	28 416	53 825	55 960	54 767
B	NC066 Karoo Hoogland	25 231	26 807	26 969	46 157	40 019	40 353
B	NC067 Khâi-Ma	21 156	22 369	22 413	44 204	45 469	42 891
C	DC6 Namakwa District Municipality	52 385	53 889	54 928	60 352	59 103	60 146
Total: Namakwa Municipalities		223 158	234 174	235 112	372 303	376 675	405 392
B	NC071 Ubuntu	38 741	40 990	40 928	65 815	70 625	71 288
B	NC072 Umsobomvu	56 140	59 828	60 011	79 229	85 236	86 184
B	NC073 Emthanjeni	49 935	52 773	52 625	87 270	86 882	83 806
B	NC074 Kareeberg	27 308	28 894	28 937	93 084	47 250	47 461
B	NC075 Renosterberg	27 568	29 102	29 089	44 274	52 064	53 188
B	NC076 Thembelihle	28 135	29 607	29 473	48 932	59 841	61 493
B	NC077 Siyathemba	36 942	39 145	39 147	65 202	59 817	61 087
B	NC078 Siyancuma	54 012	56 308	55 278	104 518	94 803	98 389
C	DC7 Pixley Ka Seme District Municipality	55 175	57 143	57 925	62 476	62 020	62 856
Total: Pixley Ka Seme Municipalities		373 956	393 790	393 413	650 800	618 538	625 752
B	NC082 !Kai !Garib	96 170	102 992	104 093	133 498	149 089	153 228
B	NC084 !Kheis	27 602	28 777	28 402	47 622	54 344	54 835
B	NC085 Tsantsabane	44 676	47 959	48 644	84 610	85 678	119 969
B	NC086 Kgatelopele	25 503	27 291	27 631	120 022	161 903	188 193
B	NC087 Dawid Kruiper	95 002	101 005	101 649	186 039	211 415	240 251
C	DC8 Z.F. Mgcawu District Municipality	74 698	77 106	78 484	80 328	81 380	82 762
Total: Z.F. Mgcawu Municipalities		363 651	385 130	388 903	652 119	743 809	839 238
B	NC091 Sol Plaatjie	212 328	226 115	227 052	390 906	335 242	342 638
B	NC092 Dikgatlong	95 491	101 165	100 582	149 033	154 084	138 573
B	NC093 Magareng	51 086	53 573	52 899	78 598	70 685	70 353
B	NC094 Phokwane	114 939	120 363	118 178	170 508	177 001	184 892
C	DC9 Frances Baard District Municipality	128 076	131 501	134 100	136 729	135 204	137 806
Total: Frances Baard Municipalities		601 920	632 717	632 811	925 774	872 216	874 262
B	NC451 Joe Morolong	155 937	163 066	159 252	272 781	324 679	288 209
B	NC452 Ga-Segonyana	185 019	199 148	200 702	456 457	452 201	343 805
B	NC453 Gamagara	45 435	50 584	53 396	93 150	126 592	147 908
C	DC45 John Taolo Gaetsewe District Municipality	95 976	99 054	100 044	107 078	107 681	108 673
Total: John Taolo Gaetsewe Municipalities		482 367	511 852	513 394	929 466	1 011 153	888 595
Total: Northern Cape Municipalities		2 045 052	2 157 663	2 163 633	3 530 462	3 622 391	3 633 239
NORTH WEST							
B	NW371 Moretele	376 690	395 824	388 352	650 625	639 353	648 882
B	NW372 Madibeng	818 913	890 928	909 930	1 396 770	1 452 940	1 489 301
B	NW373 Rustenburg	808 419	889 452	924 096	1 409 465	1 566 494	1 706 827
B	NW374 Kgetlengrivier	105 336	113 368	114 757	179 986	206 109	232 010
B	NW375 Moses Kotane	476 855	502 337	494 426	746 569	759 872	746 628
C	DC37 Bojanala Platinum District Municipality	366 729	380 119	389 685	376 763	384 441	394 073
Total: Bojanala Platinum Municipalities		2 952 942	3 172 028	3 221 246	4 760 178	5 009 209	5 217 721
B	NW381 Ratlou	138 974	145 502	141 936	183 759	185 068	180 310
B	NW382 Tswaing	128 758	135 590	133 343	173 846	207 627	209 581
B	NW383 Mafikeng	292 733	311 146	307 598	403 961	441 310	410 022
B	NW384 Ditsobotla	143 161	151 821	150 178	197 269	203 497	200 031
B	NW385 Ramotshere Moiloa	195 823	206 851	203 384	270 044	292 475	267 151
C	DC38 Ngaka Modiri Molema District Municipality	873 573	935 613	958 701	1 369 281	1 431 566	1 455 664
Total: Ngaka Modiri Molema Municipalities		1 773 022	1 886 523	1 895 140	2 598 160	2 761 546	2 722 759
B	NW392 Naledi	58 600	61 789	61 228	85 151	98 544	100 149
B	NW393 Mamusa	62 550	65 934	65 090	121 358	113 841	96 293
B	NW394 Greater Taung	212 988	221 681	214 500	292 634	389 476	369 992
B	NW396 Lekwa-Teemane	56 063	59 266	58 786	76 550	125 127	175 734
B	NW397 Kagisano-Molopo	133 289	138 875	134 754	197 805	193 143	180 556
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	404 182	428 366	432 576	1 085 411	1 166 660	1 190 030
Total: Dr Ruth Segomotsi Mompati Municipalities		927 672	975 911	966 934	1 858 909	2 086 791	2 112 154
B	NW403 City of Matlosana	484 096	515 794	517 385	688 217	703 916	720 710
B	NW404 Maquass Hills	143 541	151 871	150 771	238 120	221 197	245 705
B	NW405 JB Marks	299 881	324 803	331 442	440 645	490 483	502 557
C	DC40 Dr Kenneth Kaunda District Municipality	200 130	205 937	210 121	205 766	209 510	213 762
Total: Dr Kenneth Kaunda Municipalities		1 127 648	1 198 405	1 209 719	1 572 748	1 625 106	1 682 734
Total: North West Municipalities		6 781 284	7 232 867	7 293 039	10 789 995	11 482 652	11 735 368

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
WESTERN CAPE							
A	CPT City of Cape Town	3 215 174	3 454 804	3 505 487	7 278 085	7 185 651	7 134 959
B	WC011 Matzikama	62 693	66 367	66 518	137 983	133 869	139 711
B	WC012 Cederberg	55 044	58 439	58 609	127 787	108 338	110 398
B	WC013 Bergrivier	50 990	54 587	55 384	77 345	87 154	78 479
B	WC014 Saldanha Bay	101 876	110 087	112 721	142 452	136 271	139 703
B	WC015 Swartland	108 796	119 269	123 466	146 865	153 638	154 727
C	DC1 West Coast District Municipality	99 472	102 639	104 699	104 459	106 353	108 416
Total: West Coast Municipalities		478 871	511 388	521 397	736 891	725 623	731 434
B	WC022 Witzenberg	106 666	114 960	116 996	168 575	163 962	148 600
B	WC023 Drakenstein	171 259	183 640	185 945	254 612	249 263	248 139
B	WC024 Stellenbosch	157 136	169 730	173 121	242 468	218 055	222 785
B	WC025 Breede Valley	131 552	139 672	140 032	197 920	219 544	220 196
B	WC026 Langeberg	87 617	92 646	92 769	147 292	176 293	123 355
C	DC2 Cape Winelands District Municipality	245 208	251 220	256 691	250 869	255 104	260 578
Total: Cape Winelands Municipalities		899 438	951 868	965 554	1 261 736	1 282 221	1 223 653
B	WC031 Theewaterskloof	106 976	113 634	113 700	169 258	162 615	152 313
B	WC032 Overstrand	123 897	134 094	137 062	174 731	176 472	171 180
B	WC033 Cape Agulhas	33 290	35 287	35 444	58 835	61 466	53 256
B	WC034 Swellendam	35 471	37 775	38 114	70 809	67 500	57 273
C	DC3 Overberg District Municipality	77 375	79 984	81 348	82 136	83 826	85 193
Total: Overberg Municipalities		377 009	400 774	405 668	555 769	551 879	519 215
B	WC041 Kammanland	30 553	31 856	31 393	58 300	57 423	69 699
B	WC042 Hessequa	48 843	51 693	51 874	70 228	70 225	71 885
B	WC043 Mossel Bay	105 409	112 523	113 576	144 179	159 604	155 244
B	WC044 George	170 498	182 794	185 060	429 143	393 544	395 450
B	WC045 Oudtshoorn	80 955	85 225	84 727	111 383	117 350	119 249
B	WC047 Bitou	111 953	122 633	126 328	144 012	162 862	162 446
B	WC048 Knysna	98 572	105 702	106 933	143 607	180 328	191 426
C	DC4 Garden Route District Municipality	167 653	172 405	175 879	177 702	176 006	179 483
Total: Garden Route Municipalities		814 436	864 831	875 770	1 278 554	1 317 342	1 344 882
B	WC051 Laingsburg	18 461	19 470	19 496	35 524	43 120	40 986
B	WC052 Prince Albert	24 054	25 533	25 660	34 665	38 139	39 458
B	WC053 Beaufort West	69 625	73 655	73 387	93 445	102 095	98 423
C	DC5 Central Karoo District Municipality	33 268	34 504	34 891	39 500	37 564	37 953
Total: Central Karoo Municipalities		145 408	153 162	153 434	203 134	220 918	216 820
Total: Western Cape Municipalities		5 930 336	6 336 827	6 427 310	11 314 169	11 283 634	11 170 963
Unallocated		-	-	-	526 037	2 041 458	2 306 209
National Total		77 999 135	83 084 515	83 569 989	130 530 762	138 963 495	141 470 585

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

APPENDIX W1

APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES

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

(National and Municipal Financial Years)

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

Category	Municipality	Equitable Share Formula						RSC Levies Replacement						Special Support for Councillor Remuneration and Ward Committees						BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES						TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year				
		2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)	2022/23 (R/000)	2023/24 (R/000)			
EASTERN CAPE																												
A	BUF Buffalo City	936 611	985 074	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	936 611	985 074	983 479	1 223 200	
A	NMA Nelson Mandela Bay	1 143 807	1 223 200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 143 807	1 223 200	1 223 200	1 223 200	
B	EC101 Dr Beyers Naude	93 287	97 768	-	-	-	-	6 029	6 215	6 457	-	-	-	-	-	-	-	-	-	-	-	-	-	93 316	103 983	102 434	102 434	
B	EC102 Blue Crane Route	58 556	57 941	-	-	-	-	2 622	2 704	2 809	-	-	-	-	-	-	-	-	-	-	-	-	-	58 178	60 645	59 496	59 496	
B	EC104 Makana	97 032	102 181	-	-	-	-	6 029	6 215	6 457	-	-	-	-	-	-	-	-	-	-	-	-	-	103 061	108 396	107 289	107 289	
B	EC105 Ndlambe	103 139	109 036	-	-	-	-	4 443	4 582	4 761	-	-	-	-	-	-	-	-	-	-	-	-	-	107 582	113 618	112 792	112 792	
B	EC106 Sundays River Valley	86 863	92 780	-	-	-	-	3 555	3 809	3 969	-	-	-	-	-	-	-	-	-	-	-	-	-	90 418	96 445	96 817	96 817	
B	EC108 Kogga	137 301	148 135	-	-	-	-	6 473	6 674	6 933	-	-	-	-	-	-	-	-	-	-	-	-	-	143 774	154 809	157 207	157 207	
B	EC109 Koo-Kamma	51 740	54 441	-	-	-	-	2 622	2 704	2 809	-	-	-	-	-	-	-	-	-	-	-	-	-	54 362	57 145	56 633	56 633	
C	DC10 Sarah Baartman District Municipality	31 062	32 735	-	-	-	-	69 647	71 330	72 893	-	-	-	-	-	-	-	-	-	-	-	-	-	109 709	104 065	105 653	105 653	
	Total: Sarah Baartman District Municipality	655 990	695 017	69 647	71 330	72 893	72 893	31 773	32 759	34 035	-	-	-	-	-	-	-	-	-	-	-	-	757 400	799 106	798 421	798 421		
B	EC121 Mbashe	257 908	268 053	-	-	-	-	14 027	14 463	15 027	-	-	-	-	-	-	-	-	-	-	-	-	-	271 935	282 516	272 673	272 673	
B	EC122 Mquma	268 387	278 876	-	-	-	-	13 774	14 204	14 759	-	-	-	-	-	-	-	-	-	-	-	-	-	282 161	293 080	282 763	282 763	
B	EC123 Great Kei	43 502	45 274	-	-	-	-	3 093	3 190	3 314	-	-	-	-	-	-	-	-	-	-	-	-	-	46 595	48 464	47 298	47 298	
B	EC124 Amathole	108 839	113 175	-	-	-	-	6 665	6 873	7 142	-	-	-	-	-	-	-	-	-	-	-	-	-	115 504	120 048	116 230	116 230	
B	EC126 Ngqusha	85 150	88 573	-	-	-	-	5 140	5 299	5 505	-	-	-	-	-	-	-	-	-	-	-	-	-	90 290	93 872	91 052	91 052	
B	EC129 Raymond Mhlaba	179 707	186 799	-	-	-	-	10 220	10 538	10 950	-	-	-	-	-	-	-	-	-	-	-	-	-	189 927	197 337	190 591	190 591	
C	DC12 Albany District Municipality	500 987	524 944	-	-	-	-	470 031	490 043	509 043	-	-	-	-	-	-	-	-	-	-	-	-	-	939 262	994 975	1 009 148	1 009 148	
	Total: Amathole District Municipality	1 444 480	1 505 694	1 462 115	1 500 943	1 515 774	1 515 774	52 919	54 567	56 077	-	-	-	-	-	-	-	-	-	-	-	-	1 935 674	2 008 292	2 019 755	2 019 755		
B	EC131 Inxuba Yethemba	42 700	44 549	-	-	-	-	3 999	4 124	4 285	-	-	-	-	-	-	-	-	-	-	-	-	-	46 699	48 673	47 770	47 770	
B	EC135 Intsika Yethu	164 112	170 621	-	-	-	-	9 331	9 622	9 998	-	-	-	-	-	-	-	-	-	-	-	-	-	173 443	180 243	174 227	174 227	
B	EC136 Emahloleni	127 481	132 567	-	-	-	-	7 554	7 789	8 094	-	-	-	-	-	-	-	-	-	-	-	-	-	135 035	140 356	135 805	135 805	
B	EC137 Engobo	152 494	158 545	-	-	-	-	9 220	9 509	9 883	-	-	-	-	-	-	-	-	-	-	-	-	-	161 714	168 054	162 528	162 528	
B	EC138 Sabhaswe	70 524	73 333	-	-	-	-	3 807	3 925	4 077	-	-	-	-	-	-	-	-	-	-	-	-	-	74 331	77 258	75 015	75 015	
B	EC139 Enoch Mgijima	196 899	205 164	-	-	-	-	8 017	8 303	8 637	-	-	-	-	-	-	-	-	-	-	-	-	-	196 899	205 164	198 535	198 535	
C	DC13 Chris Hani District Municipality	499 330	523 773	-	-	-	-	101 291	106 630	111 574	-	-	-	-	-	-	-	-	-	-	-	-	-	600 621	632 403	633 161	633 161	
	Total: Chris Hani District Municipality	1 253 540	1 308 552	1 275 130	1 319 903	1 344 858	1 344 858	33 911	34 969	36 337	-	-	-	-	-	-	-	-	-	-	-	-	1 388 742	1 452 151	1 427 541	1 427 541		
B	EC141 Elundini	158 677	164 993	-	-	-	-	7 554	7 789	8 094	-	-	-	-	-	-	-	-	-	-	-	-	-	166 231	172 782	167 192	167 192	
B	EC142 Senqa	155 808	161 910	-	-	-	-	7 554	7 789	8 094	-	-	-	-	-	-	-	-	-	-	-	-	-	163 362	169 699	164 060	164 060	
B	EC145 Walter Shala	59 184	62 276	-	-	-	-	5 184	5 347	5 558	-	-	-	-	-	-	-	-	-	-	-	-	-	64 368	67 623	66 811	66 811	
C	DC14 Joe Gqibh District Municipality	258 893	273 698	-	-	-	-	47 294	49 405	51 405	-	-	-	-	-	-	-	-	-	-	-	-	-	302 992	319 392	320 072	320 072	
	Total: Joe Gqibh District Municipality	632 562	661 277	645 984	672 924	701 005	701 005	20 292	20 925	21 746	-	-	-	-	-	-	-	-	-	-	-	-	696 983	729 496	718 135	718 135		
B	EC153 Ngquna Hill	269 529	281 774	-	-	-	-	14 027	14 463	15 027	-	-	-	-	-	-	-	-	-	-	-	-	-	283 556	296 237	287 542	287 542	
B	EC154 Port St Johns	159 445	166 473	-	-	-	-	8 095	8 365	8 695	-	-	-	-	-	-	-	-	-	-	-	-	-	168 140	175 438	170 354	170 354	
B	EC155 Nyamini	272 866	284 348	-	-	-	-	14 027	14 463	15 027	-	-	-	-	-	-	-	-	-	-	-	-	-	286 893	298 811	289 218	289 218	
B	EC156 Mfombi	189 599	197 136	-	-	-	-	11 361	11 714	12 171	-	-	-	-	-	-	-	-	-	-	-	-	-	200 980	208 850	200 748	200 748	
B	EC157 King Sabata Dalindyebo	365 575	383 697	-	-	-	-	61 568	63 450	65 588	-	-	-	-	-	-	-	-	-	-	-	-	-	365 575	383 697	374 179	374 179	
C	DC15 O.R. Tambo District Municipality	853 761	881 720	-	-	-	-	131 095	135 006	139 055	-	-	-	-	-	-	-	-	-	-	-	-	-	950 456	1 004 726	1 008 071	1 008 071	
	Total: O.R. Tambo District Municipality	2 092 775	2 195 148	2 148 478	2 249 498	2 310 906	2 310 906	48 110	49 605	51 539	-	-	-	-	-	-	-	-	-	-	-	-	2 255 580	2 367 759	2 331 112	2 331 112		
B	EC441 Matielde	247 465	255 738	-	-	-	-	11 361	11 714	12 171	-	-	-	-	-	-	-	-	-	-	-	-	-	258 826	270 472	262 787	262 787	
B	EC442 Umtuzimu	235 440	243 440	-	-	-	-	11 805	12 172	12 647	-	-	-	-	-	-	-	-	-	-	-	-	-	238 026	247 612	239 427	239 427	
B	EC443 Mzimba	275 846	289 848	-	-	-	-	13 774	14 204	14 759	-	-	-	-	-	-	-	-	-	-	-	-	-	289 620	304 052	296 623	296 623	
B	EC444 Ntabankulu	125 691	130 716	-	-	-	-	8 012	8 264	8 590	-	-	-	-	-	-	-	-	-	-	-	-	-	133 703	138 980	134 533	134 533	
C	DC14 Alfred Nzo District Municipality	548 391	575 661	-	-	-	-	80 119	83 119	86 119	-	-	-	-	-	-	-	-	-	-	-	-	-	618 487	653 836	655 844	655 844	
	Total: Alfred Nzo District Municipality	1 424 614	1 493 423	1 460 928	1 525 725	1 589 119	1 589 119	44 952	46 354	47 867	-	-	-	-	-	-	-	-	-	-	-	-	1 538 662	1 614 952	1 589 214	1 589 214		
	Total: Eastern Cape Municipalities	9 5																										

APPENDIX WI
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						TOTAL ALLOCATIONS TO MUNICIPALITIES		
		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		
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2022/23 (R'000)
FREE STATE																
A	MAN Mangang	830 046	886 647	-	-	-	-	-	-	-	-	-	-	-	830 046	886 647
B	FS161 Lethemeng	67 685	71 382	-	-	2 622	2 704	-	-	-	-	-	-	-	70 307	73 086
B	FS162 Kopong	89 440	93 611	-	-	3 565	3 626	-	-	-	-	-	-	-	93 005	97 237
B	FS163 Kibokwe	70 150	78 586	-	-	3 055	3 204	-	-	-	-	-	-	-	73 205	81 772
C	DC16 Xhariep District Municipality	21 466	23 526	23 107	23 707	4 055	4 186	-	-	-	-	-	-	-	47 163	48 610
	Total: Xhariep Municipalities	252 749	265 987	23 107	23 707	11 884	12 209	12 767	-	-	-	-	-	-	282 285	300 455
B	FS181 Mchilinyan	128 938	136 566	-	-	4 251	4 383	-	-	-	-	-	-	-	133 179	140 949
B	FS182 Tlokeng	58 085	60 073	-	-	1 885	1 944	-	-	-	-	-	-	-	59 970	62 017
B	FS183 Tswelopele	77 970	80 345	-	-	3 365	3 676	-	-	-	-	-	-	-	81 335	84 021
B	FS184 Mphahlele	561 595	594 223	-	-	5 332	5 498	-	-	-	-	-	-	-	566 927	599 721
B	FS185 Nala	127 239	132 698	-	-	5 332	5 713	-	-	-	-	-	-	-	132 571	138 411
C	DC18 Lesotho District Municipality	43 160	45 504	99 836	99 836	14 033	15 501	-	-	-	-	-	-	-	138 217	145 377
	Total: Lesotho Municipalities	996 977	1 052 146	99 836	99 836	34 069	37 219	16 107	-	-	-	-	-	-	1 102 867	1 158 597
B	FS191 Seoto	204 956	215 631	-	-	7 362	7 590	-	-	-	-	-	-	-	212 318	223 221
B	FS192 Dikobong	186 348	198 833	-	-	3 999	4 124	-	-	-	-	-	-	-	186 348	198 833
B	FS193 Nkomo	100 739	111 066	-	-	3 807	3 925	-	-	-	-	-	-	-	108 738	115 190
B	FS194 Mafisa-Phephang	668 457	705 578	-	-	3 565	3 676	-	-	-	-	-	-	-	668 457	705 578
B	FS195 Phumudini	80 049	84 396	-	-	3 807	3 925	-	-	-	-	-	-	-	83 614	88 072
B	FS196 Maseru	88 140	93 076	-	-	3 807	3 925	-	-	-	-	-	-	-	91 947	97 001
C	DC19 Tlhae-Medunama District Municipality	62 354	65 715	65 291	66 723	18 733	19 315	-	-	-	-	-	-	-	126 106	131 006
	Total: Tlhae-Medunama Municipalities	1 395 043	1 474 373	65 291	66 723	34 276	35 473	20 068	-	-	-	-	-	-	1 477 528	1 558 979
B	FS201 Mopela	230 417	244 368	-	-	-	-	-	-	-	-	-	-	-	230 417	244 368
B	FS203 Nyanaba	215 960	226 559	-	-	-	-	-	-	-	-	-	-	-	215 960	226 559
B	FS204 Maseru	214 398	232 924	-	-	-	-	-	-	-	-	-	-	-	214 398	232 924
B	FS205 Mafisa	103 339	109 433	-	-	3 807	3 925	-	-	-	-	-	-	-	107 146	113 358
C	DC20 Ficksburg District Municipality	11 809	12 492	152 226	159 320	3 807	3 925	-	-	-	-	-	-	-	164 035	168 394
	Total: Ficksburg Municipalities	775 923	827 857	152 226	159 320	3 807	3 925	4 077	-	-	-	-	-	-	931 956	992 248
Total: Free State Municipalities		4 250 738	4 507 010	333 687	349 236	99 857	51 010	53 019	-	-	-	-	-	-	4 633 882	4 899 764
GAUTENG																
A	ERU City of Ekurhuleni	4 026 213	4 352 947	-	-	-	-	-	-	-	-	-	-	-	4 026 213	4 352 947
A	JHB City of Johannesburg	5 467 766	6 079 700	-	-	-	-	-	-	-	-	-	-	-	5 467 766	6 079 700
A	TSH City of Tshwane	3 088 576	3 342 390	-	-	-	-	-	-	-	-	-	-	-	3 088 576	3 342 390
B	GT421 Enlileni	865 908	919 678	-	-	-	-	-	-	-	-	-	-	-	865 908	919 678
B	GT422 Midval	118 426	128 973	-	-	6 473	6 674	-	-	-	-	-	-	-	124 899	135 647
B	GT423 Lesedi	152 175	166 238	-	-	5 776	5 956	-	-	-	-	-	-	-	157 951	172 194
C	DC42 Sekelele District Municipality	25 265	27 808	259 280	265 542	-	-	-	-	-	-	-	-	-	285 545	299 350
	Total: Sekelele Municipalities	1 060 774	1 240 969	259 280	265 542	12 249	12 630	13 122	-	-	-	-	-	-	1 432 303	1 531 141
B	GT481 Mogale City	471 790	509 779	-	-	-	-	-	-	-	-	-	-	-	471 790	509 779
B	GT484 Merafong City	229 859	244 925	-	-	-	-	-	-	-	-	-	-	-	229 859	244 925
B	GT485 Rand West City	346 639	371 750	-	-	-	-	-	-	-	-	-	-	-	346 639	371 750
B	DC48 West Rand District Municipality	45 139	47 990	177 460	181 736	-	-	-	-	-	-	-	-	-	222 599	229 646
	Total: West Rand Municipalities	1 093 427	1 174 364	177 460	181 736	185 095	185 095	-	-	-	-	-	-	-	1 270 877	1 356 100
Total: Gauteng Municipalities		14 836 756	16 056 933	16 408 117	16 578 278	457 058	12 630	13 122	-	-	-	-	-	-	15 288 735	16 516 841

**APPENDIX W1
EQUITABLE SHARE 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				TOTAL ALLOCATIONS TO MUNICIPALITIES	
		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	
		2021/22 (R/000)	2022/23 (R/000)	2021/22 (R/000)	2022/23 (R/000)	2021/22 (R/000)	2022/23 (R/000)	2021/22 (R/000)	2022/23 (R/000)	2021/22 (R/000)	2022/23 (R/000)	Water	Sewerage	Refuse	Water	Sewerage	Refuse	2021/22 (R/000)	2022/23 (R/000)
KWAZULU-NATAL																			
A	ETH eThekweni	3 580 447	3 876 627	-	-	96 440	102 428	110 230	-	-	-	-	-	-	-	-	3 800 447	3 873 902	3 876 627
B	KZN212 uMkheni	139 361	146 956	143 719	8 506	8 506	8 506	8 506	8 506	8 506	8 506	8 506	8 506	8 506	8 506	8 506	147 611	155 462	152 557
B	KZN213 uMkheni	133 944	139 318	134 081	9 220	9 599	10 582	10 582	10 582	10 582	10 582	10 582	10 582	10 582	10 582	10 582	143 164	148 827	143 964
B	KZN214 uMkheni	95 947	100 269	97 998	4 443	4 582	4 443	4 443	4 443	4 443	4 443	4 443	4 443	4 443	4 443	4 443	100 390	104 851	102 159
C	DC21 Uyo District Municipality	427 924	457 790	247 777	-	-	-	-	-	-	-	-	-	-	-	-	252 314	247 777	245 233
Total Uyo District Municipality		1 000 990	1 000 100	1 000 230	96 440	102 428	110 230	-	-	-	-	-	-	-	-	-	1 000 990	1 000 100	1 000 230
B	KZN231 uMkhanyakoppie	106 981	112 402	109 856	6 029	6 215	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	113 010	118 077	116 293
B	KZN232 uMkhanyakoppie	72 369	78 179	79 334	5 140	5 299	5 505	5 505	5 505	5 505	5 505	5 505	5 505	5 505	5 505	5 505	77 509	83 478	84 819
B	KZN233 uMkhanyakoppie	37 030	38 762	38 022	2 151	2 217	2 304	2 304	2 304	2 304	2 304	2 304	2 304	2 304	2 304	2 304	39 191	40 979	40 236
B	KZN234 uMkhanyakoppie	37 124	38 611	37 719	1 810	1 867	1 940	1 940	1 940	1 940	1 940	1 940	1 940	1 940	1 940	1 940	38 934	40 478	39 659
B	KZN235 uMkhanyakoppie	6 062 262	6 572 866	6 613 903	3 110	3 207	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	6 162 262	6 572 866	6 613 903
B	KZN236 uMkhanyakoppie	67 360	71 185	70 326	3 110	3 207	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	70 470	74 392	73 459
B	KZN237 uMkhanyakoppie	75 314	79 656	78 484	3 110	3 207	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	78 424	82 343	81 817
C	DC22 uMkhanyakoppie District Municipality	296 893	317 928	321 483	35 222	36 222	37 222	37 222	37 222	37 222	37 222	37 222	37 222	37 222	37 222	37 222	608 552	629 089	627 625
Total uMkhanyakoppie District Municipality		1 309 233	1 394 509	1 398 927	31 800	32 912	34 123	34 123	34 123	34 123	34 123	34 123	34 123	34 123	34 123	34 123	1 408 742	1 476 226	1 471 921
B	KZN238 uMkhanyakoppie	130 999	136 868	132 664	6 473	6 674	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	137 472	143 542	139 667
B	KZN239 uMkhanyakoppie	187 181	197 227	192 693	10 220	10 538	10 950	10 950	10 950	10 950	10 950	10 950	10 950	10 950	10 950	10 950	197 401	207 905	203 543
B	KZN240 uMkhanyakoppie	238 163	271 016	264 406	6 169	6 371	6 658	6 658	6 658	6 658	6 658	6 658	6 658	6 658	6 658	6 658	238 163	271 016	264 406
C	DC23 uMkhanyakoppie District Municipality	406 627	431 274	431 524	72 380	77 624	82 729	82 729	82 729	82 729	82 729	82 729	82 729	82 729	82 729	82 729	485 156	515 270	509 911
Total uMkhanyakoppie District Municipality		982 970	1 036 986	1 021 187	103 859	109 477	114 976	114 976	114 976	114 976	114 976	114 976	114 976	114 976	114 976	114 976	1 078 192	1 137 903	1 128 427
B	KZN241 uMkhanyakoppie	58 833	54 586	53 800	2 918	3 008	3 125	3 125	3 125	3 125	3 125	3 125	3 125	3 125	3 125	3 125	57 574	53 584	52 965
B	KZN242 uMkhanyakoppie	14 045	13 826	13 629	6 473	6 674	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	14 530	14 045	13 826
B	KZN243 uMkhanyakoppie	139 790	148 938	147 588	6 029	6 215	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	6 457	145 819	155 173	154 845
C	DC24 uMkhanyakoppie District Municipality	345 360	369 195	372 467	56 761	60 874	64 878	64 878	64 878	64 878	64 878	64 878	64 878	64 878	64 878	64 878	402 121	430 867	437 345
Total uMkhanyakoppie District Municipality		853 915	906 217	899 243	74 972	79 825	83 606	83 606	83 606	83 606	83 606	83 606	83 606	83 606	83 606	83 606	925 468	992 654	990 764
B	KZN252 Newcastle	447 790	442 574	439 225	-	-	-	-	-	-	-	-	-	-	-	-	417 790	442 574	439 225
B	KZN253 eMalahleni	30 845	32 215	31 489	2 622	2 704	2 809	2 809	2 809	2 809	2 809	2 809	2 809	2 809	2 809	2 809	33 467	34 919	34 298
B	KZN254 Durbanside	90 938	98 940	96 639	5 384	5 737	5 981	5 981	5 981	5 981	5 981	5 981	5 981	5 981	5 981	5 981	100 522	104 300	101 640
C	DC25 uMkhanyakoppie District Municipality	48 844	48 318	47 844	115 790	115 790	115 790	115 790	115 790	115 790	115 790	115 790	115 790	115 790	115 790	115 790	44 917	45 615	45 111
Total uMkhanyakoppie District Municipality		628 052	662 276	654 071	99 588	106 171	112 200	112 200	112 200	112 200	112 200	112 200	112 200	112 200	112 200	112 200	527 996	577 808	571 274
B	KZN261 eManteni	78 827	82 521	80 398	3 555	3 665	3 809	3 809	3 809	3 809	3 809	3 809	3 809	3 809	3 809	3 809	82 332	86 186	84 207
B	KZN262 uManteni	147 128	155 641	152 844	6 473	6 674	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	6 933	153 601	162 525	159 777
B	KZN263 uManteni	167 845	175 418	175 418	9 331	9 622	9 998	9 998	9 998	9 998	9 998	9 998	9 998	9 998	9 998	9 998	167 845	175 418	175 418
B	KZN265 Nongoma	161 487	169 086	163 775	10 472	10 797	11 218	11 218	11 218	11 218	11 218	11 218	11 218	11 218	11 218	11 218	170 818	178 386	173 773
B	KZN266 Umtata	169 791	177 669	171 804	10 472	10 797	11 218	11 218	11 218	11 218	11 218	11 218	11 218	11 218	11 218	11 218	180 263	188 466	183 022
C	DC26 uManteni District Municipality	451 454	489 562	482 569	73 191	78 494	83 656	83 656	83 656	83 656	83 656	83 656	83 656	83 656	83 656	83 656	52 645	59 656	56 225
Total uManteni District Municipality		1 136 532	1 243 431	1 238 008	29 831	30 258	31 985	31 985	31 985	31 985	31 985	31 985	31 985	31 985	31 985	31 985	1 279 554	1 352 463	1 342 422
B	KZN271 uMkhanyakoppie	194 483	191 625	188 710	7 806	8 048	8 362	8 362	8 362	8 362	8 362	8 362	8 362	8 362	8 362	8 362	188 280	190 623	187 022
B	KZN272 uMkhanyakoppie	190 920	205 633	209 974	8 887	9 164	9 522	9 522	9 522	9 522	9 522	9 522	9 522	9 522	9 522	9 522	203 877	214 817	210 496
B	KZN275 Mthatha	179 420	191 542	189 450	8 887	9 164	9 522	9 522	9 522	9 522	9 522	9 522	9 522	9 522	9 522	9 522	198 307	200 706	198 972
B	KZN276 Big Five Hibisa	116 122	123 164	123 217	5 921	6 106	6 346	6 346	6 346	6 346	6 346	6 346	6 346	6 346	6 346	6 346	122 043	129 270	127 563
C	DC27 uMkhanyakoppie District Municipality	415 933	446 657	453 992	57 719	61 901	65 972	65 972	65 972	65 972	65 972	65 972	65 972	65 972	65 972	65 972	473 222	508 558	519 064
Total uMkhanyakoppie District Municipality		1 086 518	1 158 641	1 153 443	61 901	65 972	70 141	70 141	70 141	70 141	70 141	70 141	70 141	70 141	70 141	70 141	1 175 738	1 253 024	1 245 167
B	KZN281 uMkhanyakoppie	139 890	148 154	145 367	7 806	8 051	8 362	8 362	8 362	8 362	8 362	8 362	8 362	8 362	8 362	8 362	147 696	156 205	153 734
B	KZN282 uMkhanyakoppie	148 124	156 826	154 660	11 907	12 371	12 855	12 855	12 855	12 855	12 855	12 855	12 855	12 855	12 855	12 855	158 032	167 046	165 188
B	KZN283 uMkhanyakoppie	194 124	205 882	198 590	9 521	9 846	10 210	10 210	10 210	10 210	10 210	10 210	10 210	10 210	10 210	10 210	206 125	216 365	214 845
B	KZN285 uMkhanyakoppie	80 889	84 169	81 302	6 029	6 215	6 457	6 457											

APPENDIX W1
APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
(EQUITABLE SHARE FORMULA ALLOCATIONS + SSC 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				TOTAL ALLOCATIONS TO MUNICIPALITIES			
		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			
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)		
LIMPOPO																					
B	LIM31 Greater Giyani	306 544	322 599	314 344	-	-	-	13 774	14 204	14 759	112 014	77 301	74 066	103 651	113 630	76 420	320 318	336 803	329 103		
B	LIM32 Greater Tzaneen	297 418	313 352	305 585	-	-	13 330	13 330	13 746	14 283	110 281	76 106	72 850	101 950	191 079	75 311	310 748	326 998	319 868		
B	LIM33 Greater Treurivier	432 618	457 630	449 515	-	-	-	8 250	8 506	8 838	187 391	129 200	123 269	172 508	191 079	128 580	432 618	457 630	449 515		
B	LIM34 Bx Phahla	162 877	173 050	170 667	-	-	-	6 029	6 215	6 409	64 123	44 252	41 916	58 659	65 799	44 252	171 127	181 556	179 805		
B	LIM35 Mankgale	133 714	141 199	138 404	-	-	-	154 972	165 164	171 354	47 172	32 554	31 040	48 086	48 086	32 340	139 743	147 414	144 861		
C	DC33 Mopani District Municipality	899 903	961 429	969 046	144 802	154 972	154 972	154 972	165 164	171 354	144 802	141 383	141 383	343 141	343 141	343 141	1 044 405	1 134 210	1 134 210		
	Total Limpopo Municipalities	2 233 074	2 369 159	2 347 561	144 802	154 972	154 972	165 164	171 354	171 354	41 383	41 383	343 141	343 141	343 141	343 141	2 418 959	2 566 802	2 566 802		
B	LIM41 Maseru	164 532	179 283	182 070	-	-	5 332	5 408	5 713	5 713	18 026	18 306	18 026	18 026	18 306	18 026	169 864	184 781	187 783		
B	LIM43 Tlhabane	477 755	504 275	493 539	-	-	-	18 026	18 306	19 312	179 574	138 338	128 318	179 574	138 338	131 198	495 781	522 861	512 871		
B	LIM45 Makhado	401 747	424 210	415 796	-	-	-	15 804	16 296	16 932	171 963	118 673	113 346	171 963	118 673	117 602	401 747	424 210	415 796		
B	LIM45 Collins Chabane	396 480	417 302	407 143	-	-	-	108 706	107 338	109 238	63 892	63 892	63 892	63 892	63 892	63 892	412 384	433 608	424 075		
B	DC34 Maseru District Municipality	1 046 294	1 091 433	1 076 133	63 892	63 892	63 892	63 892	63 892	63 892	63 892	63 892	63 892	63 892	63 892	63 892	1 174 475	1 230 149	1 230 149		
	Total Northern Cape Municipalities	2 491 068	2 629 253	2 625 580	63 892	63 892	63 892	63 892	63 892	63 892	39 162	39 162	39 162	39 162	39 162	39 162	2 474 112	2 781 038	2 774 868		
B	LIM51 Bhebe	193 840	201 847	194 698	-	-	9 775	10 080	10 474	63 117	45 102	46 425	45 102	46 425	46 425	45 102	203 615	211 927	205 172		
B	LIM53 Molekane	148 404	154 365	148 890	-	-	7 109	7 331	7 618	7 618	33 919	34 868	33 919	34 868	34 868	33 953	155 513	161 696	156 508		
B	LIM54 Polokwane	1 055 884	1 132 746	1 140 635	-	-	-	13 330	13 746	14 283	89 423	61 711	59 540	89 423	90 055	60 565	1 055 884	1 132 746	1 140 635		
B	LIM55 Lepelle-Nkomo	265 596	274 758	265 921	-	-	310 785	310 785	310 785	310 785	310 785	310 785	310 785	310 785	310 785	310 785	275 926	288 504	280 204		
C	DC35 Lepelle-Nkomo District Municipality	394 363	415 613	413 730	271 906	291 608	291 608	291 608	310 785	310 785	310 785	310 785	310 785	310 785	310 785	310 785	666 269	707 221	724 515		
	Total Northern Cape Municipalities	2 055 087	2 179 329	2 163 874	271 906	291 608	291 608	310 785	310 785	310 785	30 214	31 157	32 275	32 275	32 275	32 275	2 357 207	2 562 094	2 562 094		
B	LIM61 Thabazimbi	102 313	110 520	112 663	-	-	5 140	5 299	5 505	-	-	-	-	-	-	-	107 453	115 819	118 168		
B	LIM62 Lephalale	174 746	190 615	195 302	-	-	-	3 807	3 925	4 077	-	-	-	-	-	-	174 746	190 615	195 302		
B	LIM66 Be-Ba-Ba	100 634	108 275	109 335	-	-	-	-	-	-	-	-	-	-	-	-	104 441	112 200	113 412		
B	LIM67 Mopani	483 337	508 453	499 027	-	-	-	-	-	-	-	-	-	-	-	-	483 337	508 453	499 027		
B	LIM68 Mafikeng	121 136	127 407	125 754	-	-	-	-	-	-	-	-	-	-	-	-	121 136	127 407	125 754		
C	DC36 Mafikeng District Municipality	42 326	44 781	45 236	91 165	93 267	95 414	6 726	6 968	7 232	-	-	-	-	-	-	140 217	145 116	147 932		
	Total North West Municipalities	1 024 092	1 090 051	1 087 317	91 165	93 267	95 414	15 023	16 102	16 864	16 864	16 864	16 864	16 864	16 864	16 864	1 131 530	1 199 610	1 199 995		
B	LIM71 Fisherton Magalies	155 362	163 985	160 480	-	-	7 109	7 331	7 618	14 005	14 551	14 551	14 551	14 551	14 551	14 551	162 471	171 236	168 088		
B	LIM72 Erilsburg Magalies	289 206	305 771	299 176	-	-	13 852	14 005	14 551	14 551	14 551	14 551	14 551	14 551	14 551	14 551	302 788	310 776	312 272		
B	LIM73 Mafikeng	283 558	296 045	287 059	-	-	13 774	14 204	14 759	14 204	14 759	14 759	14 759	14 759	14 759	14 759	296 332	310 249	301 818		
B	LIM76 Sebokeng Tlokoeng	478 597	511 160	505 625	-	-	-	-	-	-	166 453	183 015	183 015	183 015	183 015	183 015	478 597	511 160	505 625		
C	DC47 Sekake District Municipality	766 211	821 488	830 974	112 021	120 781	128 724	128 724	134 465	140 525	36 928	36 928	36 928	36 928	36 928	36 928	878 832	942 269	959 628		
	Total South West Municipalities	1 971 934	2 098 369	2 083 234	112 021	120 781	128 724	134 465	140 525	140 525	207 221	143 004	143 004	143 004	143 004	143 004	2 119 020	2 254 690	2 248 886		
	Total Limpopo Municipalities	9 765 635	10 376 861	10 307 569	714 096	761 433	807 415	160 897	165 940	172 461	1 628 308	1 219 354	1 103 540	1 103 540	1 103 540	1 103 540	10 640 628	11 304 234	11 287 445		
MPUMALANGA																					
B	MP01 Chief Albert Luthuli	338 319	358 529	354 369	-	-	-	10 916	11 256	11 694	-	-	-	-	-	-	349 235	369 785	366 083		
B	MP02 Mkhaleli	199 442	215 400	218 732	-	-	-	8 442	8 705	9 046	-	-	-	-	-	-	199 442	215 400	218 732		
B	MP03 Mkhondo	261 407	280 517	281 523	-	-	-	4 696	4 841	5 029	-	-	-	-	-	-	269 849	289 222	290 571		
B	MP04 Dr Pixley Ka Isaka Seme	128 067	135 173	133 456	-	-	-	-	-	-	-	-	-	-	-	-	132 763	140 014	138 485		
B	MP05 Tlokwa	134 933	144 333	143 179	-	-	-	-	-	-	-	-	-	-	-	-	134 933	144 333	143 179		
B	MP06 Dipsiteng	79 225	84 702	84 884	-	-	2 828	2 917	3 032	-	-	-	-	-	-	-	82 053	87 619	87 916		
B	MP07 Gona Mpele	184 528	195 639	194 639	-	-	308 279	308 279	308 279	308 279	308 279	308 279	308 279	308 279	308 279	308 279	184 528	195 639	194 639		
	Total Eastern Cape Municipalities	1 487 277	1 593 504	1 601 793	234 552	241 666	241 666	308 279	308 279	308 279	36 982	37 719	38 001	38 001	38 001	38 001	1 488 711	1 623 889	1 623 889		
B	MP11 Venter Kloof	108 090	116 911	118 737	-	-	3 807	3 925	4 077	-	-	-	-	-	-	-	111 897	120 836	122 814		
B	MP12 Emalaheni	425 204	466 309	481 788	-	-	-	-	-	-	-	-	-	-	-	-	425 204	466 309	481 788		
B	MP13 Steve Tshwete	243 978	281 177	281 177	-	-	-	-	-	-	-	-	-	-	-	-	242 978	268 974	281 177		
B	MP14 Emakhaseni	68 226	72 854	73 006	-	-	3 565	3 676	3 820	-	-	-	-	-	-	-	71 791	76 530	76 526		
B	MP15 Thembisile Hani	482 200	487 679	484 421	-	-	13 774	14 204	14 759	-	-	-	-	-	-	-	458 200	487 679	484 421		
B	MP16 Dr JS Moroka	405 359	425 791	416 313	-	-	-	-	-	-	-	-	-	-	-	-	419 133	439 995	431 072		
C	DC31 Ntshongu District Municipality	27 499	29 339	29 991	35 102	35 930	36 742	36 742	36 742	36 742	36 742	36 742	36 742	36 742	36 742	36 742	378 547	388 869	397 403		
	Total Mpumalanga Municipalities	1 736 552	1 867 857	1 885 433	35 102	35 930	36 742	36 742	36 742	36 742	21 146	21 805	22 656	22 656	22						

APPENDIX W1
 APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
 (EQUITABLE SHARE FORMULA ALLOCATIONS + 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						TOTAL ALLOCATIONS TO MUNICIPALITIES			
		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			
		2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2021/22 (R'000)	2022/23 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2021/22 (R'000)	2022/23 (R'000)
WESTERN CAPE																	
A	EPT City of Cape Town	3 215 174	3 454 864	-	-	-	-	-	-	-	-	-	-	-	3 215 174	3 454 864	3 506 467
B	WC011 Matieland	59 330	62 901	-	-	-	-	3 363	3 466	-	-	-	-	-	66 693	66 367	66 518
B	WC012 Cederberg	52 422	55 735	-	-	-	-	2 622	2 704	-	-	-	-	-	55 044	58 609	58 609
B	WC013 Bergvliet	48 072	51 579	-	-	-	-	2 918	3 018	-	-	-	-	-	50 990	54 587	55 384
B	WC014 Slangbaai	95 847	103 872	-	-	-	-	6 029	6 215	-	-	-	-	-	101 876	110 087	112 721
B	WC015 Swartkops	108 796	119 269	-	-	-	-	-	-	-	-	-	-	-	108 796	119 269	123 466
C	DCL1 West Coast District Municipality	21 062	22 273	78 470	80 366	85 127	-	-	-	-	-	-	-	-	99 472	102 639	104 699
Totals West Coast Municipalities		385 469	415 629	78 470	80 366	85 127	-	14 932	15 393	15 393	-	-	-	-	478 871	511 388	521 397
B	WC022 Wierdeboren	106 666	114 996	-	-	-	-	-	-	-	-	-	-	-	106 666	114 996	116 996
B	WC023 Dikwatsnek	171 259	183 600	-	-	-	-	-	-	-	-	-	-	-	171 259	183 600	186 945
B	WC024 Stellenbosch	157 121	169 770	-	-	-	-	-	-	-	-	-	-	-	157 121	169 770	173 121
B	WC025 Pletstroom	131 552	139 627	-	-	-	-	-	-	-	-	-	-	-	131 552	139 627	140 032
B	WC026 Porseberg	82 477	87 347	-	-	-	-	5 140	5 299	-	-	-	-	-	87 617	92 646	95 769
C	DCL2 Cape Winelands District Municipality	2 662	2 816	243 546	248 404	253 850	-	-	-	-	-	-	-	-	245 208	251 220	256 691
Totals Cape Winelands Municipalities		651 752	698 165	706 199	743 546	753 850	-	5 140	5 299	5 299	5 299	-	-	-	899 438	951 868	965 554
B	WC031 Theewaterskloof	106 976	113 634	-	-	-	-	-	-	-	-	-	-	-	106 976	113 634	113 700
B	WC032 Overstrand	118 313	128 337	-	-	-	-	5 584	5 757	-	-	-	-	-	123 897	134 094	137 062
B	WC033 Cape Agulhas	30 668	32 635	-	-	-	-	2 622	2 704	-	-	-	-	-	33 290	35 337	36 444
B	WC034 Swellendam	32 849	35 071	-	-	-	-	2 622	2 704	-	-	-	-	-	34 471	37 775	38 114
C	DCL3 Overberg District Municipality	23 056	24 353	24 497	25 631	26 851	-	-	-	-	-	-	-	-	77 375	79 884	81 348
Totals Overberg Municipalities		311 862	333 978	337 218	353 631	365 851	-	10 828	11 165	11 165	-	-	-	-	377 009	400 774	405 668
B	WC041 Kamalind	28 874	30 125	-	-	-	-	1 679	1 731	-	-	-	-	-	30 553	31 856	31 393
B	WC042 Hessequa	44 807	47 531	-	-	-	-	4 036	4 162	-	-	-	-	-	48 843	51 693	51 874
B	WC043 Mossel Bay	99 380	107 119	-	-	-	-	6 029	6 215	-	-	-	-	-	105 409	112 333	113 576
B	WC044 George	170 498	185 060	-	-	-	-	-	-	-	-	-	-	-	170 498	182 794	185 060
B	WC045 Oudshoorn	75 371	79 468	-	-	-	-	5 584	5 757	-	-	-	-	-	80 955	85 225	84 727
B	WC047 Bitou	109 055	119 625	-	-	-	-	2 918	3 008	-	-	-	-	-	111 953	122 633	126 328
B	WC048 Knysna	93 876	100 861	-	-	-	-	4 696	4 841	-	-	-	-	-	98 572	105 702	106 933
C	DCL4 Garden Route District Municipality	20 652	21 854	147 001	150 551	153 852	-	-	-	-	-	-	-	-	167 653	172 405	175 879
Totals Garden Route Municipalities		642 493	688 566	698 202	720 851	733 852	-	24 942	25 714	25 714	-	-	-	-	814 436	864 831	875 770
B	WC051 Langsburg	16 782	17 739	-	-	-	-	1 679	1 731	-	-	-	-	-	18 461	19 470	19 496
B	WC052 Prince Albert	22 375	23 802	-	-	-	-	1 679	1 731	-	-	-	-	-	24 054	25 533	25 660
B	WC053 Beaufort West	66 533	70 465	-	-	-	-	3 092	3 190	-	-	-	-	-	69 625	73 653	75 387
C	DCL5 Central Karoo District Municipality	15 798	16 387	14 972	15 229	15 691	-	-	-	-	-	-	-	-	32 268	34 204	34 891
Totals Central Karoo Municipalities		121 488	128 593	128 122	132 229	135 691	-	8 948	9 240	9 240	-	-	-	-	145 408	153 162	153 424
Totals Western Cape Municipalities		5 328 238	5 719 735	5 795 507	6 048 281	6 248 311	-	64 790	66 811	66 811	69 423	-	-	-	5 930 336	6 336 827	6 427 310
National Total		71 027 582	75 795 100	75 964 200	80 248 711	82 541 115	-	1 009 942	1 040 704	1 040 704	1 081 674	20 284	5 817 609	4 014 767	77 999 135	83 084 515	83 569 989

APPENDIX W2

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

**(BREAKDOWN OF MIG AND WSIG 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 WATER SERVICES INFRASTRUCTURE GRANT (WSIG)
(BREAKDOWN OF MIG AND WSIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

Category	Municipality	Schedule 5, Part B				Schedule 6, Part B			
		Breakdown of MIG allocations for district municipalities authorised for services				Breakdown of WSIG allocations for district municipalities authorised for services			
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	National and Municipal Financial Year	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	National and Municipal Financial Year
EASTERN CAPE									
B	EC121 Mbashe	167 847	182 466	191 180	14 000	14 000	11 000	-	-
B	EC122 Mquma	156 026	169 616	177 716	9 500	10 000	12 000	-	-
B	EC123 Great Kei	9 486	10 312	10 804	10 500	11 000	10 900	-	-
B	EC124 Amahlathi	37 294	40 542	42 478	12 000	12 000	12 000	-	-
B	EC126 Ngqushwa	30 605	33 271	34 860	15 000	15 000	13 000	-	-
B	EC129 Raymond Mhlaba	48 247	52 449	54 954	14 000	14 000	12 000	-	-
	Total: Amathole Municipalities	449 505	488 656	511 992	75 000	76 000	70 900	-	-
B	EC131 Inxuba Yethemba	5 291	5 751	6 026	12 500	10 000	12 000	-	-
B	EC135 Intsika Yethu	94 400	102 622	107 523	16 000	10 000	14 000	-	-
B	EC136 Emalahleni	47 360	51 485	53 944	13 000	11 000	13 000	-	-
B	EC137 Engcobo	87 433	95 048	99 588	12 500	10 000	14 000	-	-
B	EC138 Sakhisizwe	21 024	22 856	23 947	16 000	13 000	15 000	-	-
B	EC139 Enoch Mgijima	43 864	47 684	49 962	13 000	11 000	12 000	-	-
	Total: Chris Hani Municipalities	299 372	325 446	340 990	83 000	65 000	80 000	-	-
B	EC141 Elundini	88 857	96 596	101 210	27 000	22 000	20 000	-	-
B	EC142 Senqu	61 004	66 318	69 485	24 000	20 000	20 000	-	-
B	EC145 Walter Sisulu	11 343	12 330	12 919	22 000	18 000	18 000	-	-
	Total: Joe Gqabi Municipalities	161 204	175 244	183 614	73 000	60 000	58 000	-	-
B	EC153 Ngquzu Hill	150 947	164 095	171 931	18 000	24 000	25 000	-	-
B	EC154 Port St Johns	85 804	93 278	97 732	24 000	31 000	32 000	-	-
B	EC155 Nyandeni	154 450	167 903	175 921	13 000	16 000	18 000	-	-
B	EC156 Mhlontlo	96 907	105 348	110 379	21 000	24 000	24 000	-	-
B	EC157 King Sabata Dalindyebo	178 916	194 499	203 788	20 000	25 000	26 000	-	-
	Total: O.R. Tambo Municipalities	667 024	725 123	759 751	96 000	120 000	125 000	-	-
B	EC441 Matatiele	95 641	103 972	108 937	27 000	30 000	30 000	-	-
B	EC442 Umzimvubu	97 114	105 572	110 614	23 000	20 000	25 000	-	-
B	EC443 Mbizana	141 250	153 553	160 886	31 000	25 000	25 000	-	-
B	EC444 Ntabankulu	59 811	65 021	68 126	29 000	25 000	25 000	-	-
	Total: Alfred Nzo Municipalities	393 816	428 118	448 563	110 000	100 000	105 000	-	-
	Total: Eastern Cape Municipalities	1 970 921	2 142 587	2 244 910	437 000	421 000	438 900	-	-

APPENDIX W2

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

Category	Municipality	Schedule 5, Part B					Schedule 6, Part B				
		Breakdown of MIG allocations for district municipalities authorised for services					Breakdown of WSIG allocations for district municipalities authorised for services				
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	
KWAZULU-NATAL											
B	KZN212 uMdomi	45 767	49 753	52 129	11 000	15 000	15 000	-	-	-	-
B	KZN213 uMzambe	81 527	88 628	92 861	22 000	20 000	20 000	-	-	-	-
B	KZN214 uMuziwabantu	36 494	39 673	41 567	21 350	15 000	15 000	-	-	-	-
B	KZN216 Ray Nkonyeni	86 760	94 317	98 821	18 000	10 000	20 000	-	-	-	-
	Total: Ugu Municipalities	250 548	272 371	285 378	72 350	60 000	70 000	-	-	-	-
B	KZN221 uMshwathi	28 792	31 300	32 795	16 500	10 560	10 110	-	-	-	-
B	KZN222 uMngeni	19 055	20 714	21 704	13 000	11 000	12 000	-	-	-	-
B	KZN223 Mpofana	7 585	8 245	8 639	16 000	16 000	16 000	-	-	-	-
B	KZN224 iMpindle	11 072	12 036	12 611	14 000	10 000	11 000	-	-	-	-
B	KZN226 Mkhambathini	18 781	20 417	21 392	13 000	13 000	13 540	-	-	-	-
B	KZN227 Richmond	17 619	19 153	20 068	12 500	10 000	13 000	-	-	-	-
	Total: uMgungundlovu Municipalities	102 904	111 865	117 209	85 000	70 560	75 650	-	-	-	-
B	KZN235 Okhahlamba	45 847	49 841	52 221	30 000	25 000	30 000	-	-	-	-
B	KZN237 iNkosi Langalibalele	61 866	67 254	70 466	25 000	30 000	30 000	-	-	-	-
B	KZN238 Alfred Duma	82 225	89 386	93 655	25 000	25 800	30 800	-	-	-	-
	Total: uThukela Municipalities	189 938	206 481	216 342	80 000	80 800	90 800	-	-	-	-
B	KZN241 eNdameni	9 417	10 238	10 727	21 000	20 000	22 000	-	-	-	-
B	KZN242 Nquthu	49 993	54 347	56 943	25 000	20 600	22 000	-	-	-	-
B	KZN244 uMsinga	82 701	89 904	94 197	23 000	23 000	23 901	-	-	-	-
B	KZN245 uMvoti	52 657	57 243	59 977	20 000	20 000	23 000	-	-	-	-
	Total: uMzinyathi Municipalities	194 768	211 732	221 844	89 000	83 600	88 901	-	-	-	-
B	KZN253 eMadlangeni	10 662	11 591	12 145	40 000	50 000	55 000	-	-	-	-
B	KZN254 Dannhauser	27 592	29 995	31 428	20 000	30 120	40 120	-	-	-	-
	Total: Amajuba Municipalities	38 254	41 586	43 573	60 000	80 120	95 120	-	-	-	-

APPENDIX W2

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

Category	Municipality	Schedule 5, Part B					Schedule 6, Part B				
		Breakdown of MIG allocations for district municipalities authorised for services					Breakdown of WSIG allocations for district municipalities authorised for services				
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	
B	KZN261 eDumbe	16 271	17 688	18 532	22 000	23 000	25 000	-	-	-	
B	KZN262 uPhongolo	46 509	50 560	52 974	25 000	25 000	27 000	-	-	-	
B	KZN263 AbaQulusi	49 916	54 264	56 856	20 000	22 000	25 000	-	-	-	
B	KZN265 Nongoma	73 023	79 383	83 174	25 000	30 000	35 000	-	-	-	
B	KZN266 Ulundi	48 415	52 632	55 146	18 000	20 000	23 880	-	-	-	
Total: Zululand Municipalities		234 134	254 527	266 682	110 000	120 000	135 880	-	-	-	
B	KZN271 uMhlabuyalingana	62 627	68 082	71 333	20 000	20 000	18 000	-	-	-	
B	KZN272 Jozini	74 936	81 463	85 353	20 000	22 320	20 000	-	-	-	
B	KZN275 Mtubatuba	56 259	61 159	64 080	20 000	21 000	19 000	-	-	-	
B	KZN276 Big Five Hlabisa	29 044	31 574	33 082	15 000	16 000	17 320	-	-	-	
Total: uMkhanyakade Municipalities		222 866	242 278	253 848	75 000	79 320	74 320	-	-	-	
B	KZN281 uMfolozi	33 633	36 562	38 308	18 000	15 000	20 000	-	-	-	
B	KZN284 uMlalazi	76 614	83 287	87 264	16 000	14 000	20 000	-	-	-	
B	KZN285 Mthonjaneni	29 385	31 944	33 470	15 000	13 000	15 000	-	-	-	
B	KZN286 Nkandla	36 380	39 549	41 438	21 000	18 000	15 000	-	-	-	
Total: King Cetshwayo Municipalities		176 012	191 342	200 480	70 000	60 000	70 000	-	-	-	
B	KZN291 Mandeni	43 453	47 238	49 494	15 000	20 000	20 000	-	-	-	
B	KZN292 KwaDukuza	65 094	70 763	74 143	15 000	20 000	20 000	-	-	-	
B	KZN293 Ndwedwe	45 521	49 486	51 849	10 000	15 000	15 000	-	-	-	
B	KZN294 Maphumulo	45 060	48 985	51 324	15 000	25 000	25 000	-	-	-	
Total: iLembe Municipalities		199 128	216 472	226 810	55 000	80 000	80 000	-	-	-	
B	KZN433 Greater Kokstad	10 766	11 704	12 263	24 700	25 000	30 000	-	-	-	
B	KZN434 uBuhlebezwe	48 998	53 266	55 810	23 000	24 000	25 000	-	-	-	
B	KZN435 uMzimkhulu	100 756	109 532	114 763	21 000	23 000	30 000	-	-	-	
B	KZN436 Dr Nkosazana Dlamini Zuma	47 379	51 506	53 966	22 000	23 000	20 000	-	-	-	
Total: Harry Gwala Municipalities		207 899	226 008	236 802	90 700	95 000	105 000	-	-	-	
Total: KwaZulu-Natal Municipalities		1 816 451	1 974 662	2 068 968	787 050	809 400	885 671	-	-	-	

APPENDIX W2
APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND WATER SERVICES INFRASTRUCTURE GRANT (WSIG)
(BREAKDOWN OF MIG AND WSIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

Category	Municipality	Schedule 5, Part B					Schedule 6, Part B				
		Breakdown of MIG allocations for district municipalities authorised for services					Breakdown of WSIG allocations for district municipalities authorised for services				
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	
LIMPOPO											
B	LIM331	119 565	129 979	136 187	12 363	18 000	30 000	48 402	84 362	98 862	
B	LIM332	94 649	102 893	107 807	10 000	14 000	20 000	-	-	-	
B	LIM333	188 547	204 970	214 759	8 000	12 000	17 000	-	-	-	
B	LIM334	33 594	36 520	38 264	7 000	11 000	16 000	-	-	-	
B	LIM335	40 559	44 092	46 198	5 000	10 000	14 000	-	-	-	
	Total: Mopani Municipalities	476 914	518 454	543 215	42 363	65 000	97 000	48 402	84 362	98 862	
B	LIM341	29 283	31 833	33 353	11 000	15 000	19 790	-	-	-	
B	LIM343	197 354	214 543	224 789	12 000	20 000	26 000	-	-	-	
B	LIM344	168 547	183 227	191 978	10 000	18 000	20 000	-	-	-	
B	LIM345	145 922	158 632	166 208	11 000	17 000	19 000	-	-	-	
	Total: Vhembe Municipalities	541 106	588 235	616 228	44 000	70 000	84 790	-	-	-	
B	LIM351	84 522	91 884	96 272	35 000	30 000	33 600	-	-	-	
B	LIM353	56 389	61 300	64 228	30 000	30 000	31 000	-	-	-	
B	LIM355	98 758	107 359	112 487	30 000	20 000	29 000	-	-	-	
	Total: Capricorn Municipalities	239 669	260 543	272 987	95 000	80 000	93 600	-	-	-	
B	LIM471	49 543	53 838	56 430	-	15 000	16 000	15 000	17 000	18 000	
B	LIM472	119 624	130 043	136 254	-	20 000	21 000	15 000	18 000	18 000	
B	LIM473	136 528	148 419	155 507	-	11 000	12 000	10 000	13 000	15 000	
B	LIM476	193 405	210 250	220 291	-	15 652	15 425	10 000	13 652	13 425	
	Total: Sekhukhune Municipalities	499 100	542 570	568 482	-	61 652	64 425	50 000	61 652	64 425	
	Total: Limpopo Municipalities	1 756 789	1 909 802	2 001 012	181 363	276 652	339 815	98 402	146 014	163 287	
NORTH WEST											
B	NW381	51 350	55 823	58 489	-	-	-	11 500	12 700	12 000	
B	NW382	39 680	43 136	45 196	-	-	-	13 000	15 000	13 000	
B	NW383	114 748	120 700	130 700	-	-	-	22 000	21 000	19 135	
B	NW384	47 464	51 598	54 062	-	-	-	13 029	14 000	16 000	
B	NW385	59 361	64 532	67 613	-	-	-	17 000	17 088	15 000	
	Total: Ngaka Modiri Molema Municipalities	312 603	339 831	356 060	-	-	-	76 529	79 788	75 135	
B	NW392	12 207	13 270	13 904	13 000	15 478	18 000	-	-	-	
B	NW393	10 418	11 325	11 866	16 000	19 000	21 199	-	-	-	
B	NW394	75 996	82 615	86 561	19 000	21 000	23 000	-	-	-	
B	NW396	4 217	4 584	4 802	9 000	12 000	15 000	-	-	-	
B	NW397	38 758	42 134	44 146	9 868	13 000	16 000	-	-	-	
	Total: Dr Ruth Segomotsi Mompati Municipalities	141 596	153 928	161 279	66 868	80 478	93 199	-	-	-	
	Total: North West Municipalities	454 199	493 759	517 339	66 868	80 478	93 199	76 529	79 788	75 135	
	National Total	5 998 360	6 520 810	6 832 229	1 472 281	1 587 530	1 757 585	174 931	225 802	238 422	

APPENDIX W3

**APPENDIX TO SCHEDULE 5, PART B: MUNICIPAL INFRASTRUCTURE GRANT AND INTEGRATED URBAN DEVELOPMENT
RING-FENCED FUNDING FOR SPORT INFRASTRUCTURE - BREAKDOWN PER MUNICIPALITY
(National and Municipal Financial Years)**

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: MUNICIPAL INFRASTRUCTURE GRANT AND INTEGRATED URBAN DEVELOPMENT GRANT
RING-FENCED FUNDING FOR SPORT INFRASTRUCTURE - BREAKDOWN PER MUNICIPALITY

				Ring-fenced Municipal Infrastructure Grant and Integrated Urban Development Grant allocations for sport infrastructure		
				National and Municipal Financial Year		
Category	Municipality	Grant	Project	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
EASTERN CAPE						
B	EC101 Dr Beyers Naude	MIG	Construction of sport facility in Dr Beyers Naude	7 000	-	-
B	EC106 Sundays River Valley	MIG	Construction of sport facility in Sunday's River Valley	8 000	-	-
Total: Sarah Baartman Municipalities				15 000	-	-
B	EC121 Mbashe	MIG	Upgrading of Sport facility in Mbashe	4 000	-	-
Total: Amathole Municipalities				4 000	-	-
B	EC142 Senqu	MIG	Construction of sport facility in Senqu	8 000	-	-
Total: Joe Gqabi Municipalities				8 000	-	-
B	EC155 Nyandeni	MIG	Construction of sportfield Nyandeni	9 000	-	-
Total: O.R. Tambo Municipalities				9 000	-	-
Total: Eastern Cape Municipalities				36 000	-	-
FREE STATE						
B	FS184 Matjhabeng	MIG	Construction of a sport field in Matjhabeng	7 000	-	-
Total: Lejweleputswa Municipalities				7 000	-	-
B	FS194 Maluti-a-Phofung	MIG	Construction of a sport field in Maluti-a-Phofung	10 000	-	-
Total: Thabo Mofutsanyana Municipalities				10 000	-	-
Total: Free State Municipalities				17 000	-	-
KWAZULU-NATAL						
B	KZN214 uMuziwabantu	MIG	Construction of harding sport field	8 000	-	-
Total: Ugu Municipalities				8 000	-	-
B	KZN224 iMpendle	MIG	Construction of Impendle sport field	8 000	-	-
B	KZN226 Mkhambathini	MIG	Upgrading of Banqibile sport field in ward 5	8 000	-	-
Total: uMgungundlovu Municipalities				16 000	-	-
B	KZN245 uMvoti	MIG	Construction of Candabuthule sport field	10 000	-	-
Total: uMzinyathi Municipalities				10 000	-	-
B	KZN254 Dannhauser	MIG	Construction of Dumacol sport centre	8 000	-	-
Total: Amajuba Municipalities				8 000	-	-
B	KZN294 Mapumulo	MIG	Construction of Sakuyaze Sport field	8 000	-	-
Total: iLembe Municipalities				8 000	-	-
B	KZN436 Dr Nkosazana Dlamini Zuma	MIG	Construction of Creighton Sports centre	8 000	-	-
Total: Harry Gwala Municipalities				8 000	-	-
Total: KwaZulu-Natal Municipalities				58 000	-	-
LIMPOPO						
B	LIM341 Musina	MIG	Upgrading of Lesley Manyathela stadium	6 500	-	-
B	LIM343 Thulamela	MIG	Construction of indigenous games platforms and outdoor gyms	6 000	-	-
Total: Vhembe Municipalities				12 500	-	-
B	LIM351 Blouberg	MIG	Construction of Pinkie sport facility	10 000	-	-
B	LIM354 Polokwane	IUDG	Construction of Polokwane Soft ball stadium	15 000	-	-
Total: Capricorn Municipalities				25 000	-	-
B	LIM476 Fetakgomo Tubatse	MIG	Construction of sport facility in Fetakgomo Tubatse	10 000	-	-
Total: Sekhukhune Municipalities				10 000	-	-
Total: Limpopo Municipalities				47 500	-	-
NORTHERN CAPE						
B	NC061 Richtersveld	MIG	Construction of Sport facility in Richtersveld	7 000	-	-
Total: Namakwa Municipalities				7 000	-	-
B	NC078 Siyancuma	MIG	Construction of sport facility in Siyancuma	7 000	-	-
Total: Pixley Ka Seme Municipalities				7 000	-	-
B	NC085 Tsantsabane	MIG	Construction of sport field in Tsantsabane	12 000	-	-
B	NC086 Kgatelopele	MIG	Construction of sport field in Kgatelopele	12 000	-	-
Total: Z.F. Mgeawu Municipalities				24 000	-	-
B	NC092 Dikgatlong	MIG	Construction of sport field in Dikgatlong	8 000	-	-
Total: Frances Baard Municipalities				8 000	-	-
Total: Northern Cape Municipalities				46 000	-	-

APPENDIX W3
APPENDIX TO SCHEDULE 5, PART B: MUNICIPAL INFRASTRUCTURE GRANT AND INTEGRATED URBAN DEVELOPMENT GRANT
RING-FENCED FUNDING FOR SPORT INFRASTRUCTURE - BREAKDOWN PER MUNICIPALITY

				Ring-fenced Municipal Infrastructure Grant and Integrated Urban Development Grant allocations for sport infrastructure		
				National and Municipal Financial Year		
Category	Municipality	Grant	Project	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
NORTH WEST						
B	NW375 Moses Kotane	MIG	Upgrading of Madikwe sport facility	9 000	-	-
Total: Bojanala Platinum Municipalities				9 000	-	-
B	NW383 Mafikeng	MIG	Construction of Mmabatho tennis stadium phase 3	20 000	-	-
Total: Ngaka Modiri Molema Municipalities				20 000	-	-
B	NW404 Maquassi Hills	MIG	Construction of Wolmaranstad ext 13 sports ground	10 000	-	-
Total: Dr Kenneth Kaunda Municipalities				10 000	-	-
Total: North West Municipalities				39 000	-	-
WESTERN CAPE						
B	WC022 Witzenberg	MIG	Construction of sport field in Witzenberg	1 500	-	-
Total: Cape Winelands Municipalities				1 500	-	-
B	WC031 Theewaterskloof	MIG	Upgrading of pineview sport facility in Grabouw	7 858	-	-
Total: Overberg Municipalities				7 858	-	-
Total: Western Cape Municipalities				9 358	-	-
Unallocated					252 858	252 858
National Total				252 858	252 858	252 858

APPENDIX W4

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

(National and Municipal Financial Years)

APPENDIX W4

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

Category Municipality			Expanded Public Works Programme Integrated Grant for Municipalities			
			FTE Target for 2021/22	National and Municipal Financial Year		
				2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
EASTERN CAPE						
A	BUF	Buffalo City	1 719	7 300	-	-
A	NMA	Nelson Mandela Bay	2 021	7 116	-	-
B	EC101	Dr Beyers Naude	91	1 552	-	-
B	EC102	Blue Crane Route	67	1 369	-	-
B	EC104	Makana	100	1 159	-	-
B	EC105	Ndlambe	110	1 144	-	-
B	EC106	Sundays River Valley	105	1 237	-	-
B	EC108	Kouga	129	1 423	-	-
B	EC109	Kou-Kamma	69	1 263	-	-
C	DC10	Sarah Baartman District Municipality	14	1 075	-	-
Total: Sarah Baartman Municipalities			685	10 222	-	-
B	EC121	Mbhashe	270	4 622	-	-
B	EC122	Mnquma	251	2 418	-	-
B	EC123	Great Kei	52	1 079	-	-
B	EC124	Amahlathi	114	1 263	-	-
B	EC126	Ngqushwa	121	3 320	-	-
B	EC129	Raymond Mhlaba	175	2 900	-	-
C	DC12	Amathole District Municipality	1 561	3 860	-	-
Total: Amathole Municipalities			2 544	19 462	-	-
B	EC131	Inxuba Yethemba	75	1 542	-	-
B	EC135	Intsika Yethu	177	2 042	-	-
B	EC136	Emalahleni	143	2 003	-	-
B	EC137	Engcobo	171	2 738	-	-
B	EC138	Sakhisizwe	83	1 542	-	-
B	EC139	Enoch Mgijima	235	3 498	-	-
C	DC13	Chris Hani District Municipality	1 062	3 838	-	-
Total: Chris Hani Municipalities			1 946	17 203	-	-
B	EC141	Elundini	169	2 569	-	-
B	EC142	Senqu	167	2 566	-	-
B	EC145	Walter Sisulu	82	1 328	-	-
C	DC14	Joe Gqabi District Municipality	572	1 559	-	-
Total: Joe Gqabi Municipalities			990	8 022	-	-
B	EC153	Ngquza Hill	209	1 385	-	-
B	EC154	Port St Johns	141	1 593	-	-
B	EC155	Nyandeni	235	1 716	-	-
B	EC156	Mhlontlo	185	2 321	-	-
B	EC157	King Sabata Dalindyebo	352	3 764	-	-
C	DC15	O.R. Tambo District Municipality	2 354	9 245	-	-
Total: O.R. Tambo Municipalities			3 476	20 024	-	-
B	EC441	Matatiele	236	4 887	-	-
B	EC442	Umzimvubu	206	3 413	-	-
B	EC443	Mbizana	215	3 570	-	-
B	EC444	Ntabankulu	120	1 987	-	-
C	DC44	Alfred Nzo District Municipality	1 453	9 740	-	-
Total: Alfred Nzo Municipalities			2 230	23 597	-	-
Total: Eastern Cape Municipalities			15 611	112 946	-	-

APPENDIX W4

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

Category			Expanded Public Works Programme Integrated Grant for Municipalities				
			Municipality	FTE Target for 2021/22	National and Municipal Financial Year		
					2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
FREE STATE							
A	MAN	Mangaung	1 627	1 316	-	-	
B	FS161	Letsemeng	74	1 124	-	-	
B	FS162	Kopanong	87	1 202	-	-	
B	FS163	Mohokare	77	1 131	-	-	
C	DC16	Xhariep District Municipality	15	1 144	-	-	
Total: Xhariep Municipalities			253	4 601	-	-	
B	FS181	Masilonyana	95	1 075	-	-	
B	FS182	Tokologo	-	-	-	-	
B	FS183	Tswelopele	70	985	-	-	
B	FS184	Matjhabeng	458	2 964	-	-	
B	FS185	Nala	116	1 010	-	-	
C	DC18	Lejweleputswa District Municipality	15	1 178	-	-	
Total: Lejweleputswa Municipalities			754	7 212	-	-	
B	FS191	Setsoto	191	1 989	-	-	
B	FS192	Dihlabeng	202	5 176	-	-	
B	FS193	Nketoana	102	1 075	-	-	
B	FS194	Maluti-a-Phofung	654	6 232	-	-	
B	FS195	Phumelela	88	1 180	-	-	
B	FS196	Mantsopa	84	1 134	-	-	
C	DC19	Thabo Mofutsanyana District Municipality	72	5 548	-	-	
Total: Thabo Mofutsanyana Municipalities			1 393	22 334	-	-	
B	FS201	Moqhaka	158	1 392	-	-	
B	FS203	Ngwathe	169	1 672	-	-	
B	FS204	Metsimaholo	177	1 622	-	-	
B	FS205	Mafube	92	1 075	-	-	
C	DC20	Fezile Dabi District Municipality	-	-	-	-	
Total: Fezile Dabi Municipalities			596	5 761	-	-	
Total: Free State Municipalities			4 623	41 224	-	-	
GAUTENG							
A	EKU	City of Ekurhuleni	4 466	20 669	-	-	
A	JHB	City of Johannesburg	4 054	8 529	-	-	
A	TSH	City of Tshwane	3 665	19 031	-	-	
B	GT421	Emfuleni	639	3 360	-	-	
B	GT422	Midvaal	131	1 539	-	-	
B	GT423	Lesedi	106	1 100	-	-	
C	DC42	Sedibeng District Municipality	13	1 023	-	-	
Total: Sedibeng Municipalities			889	7 022	-	-	
B	GT481	Mogale City	100	7 702	-	-	
B	GT484	Merafong City	-	-	-	-	
B	GT485	Rand West City	358	2 933	-	-	
C	DC48	West Rand District Municipality	14	1 090	-	-	
Total: West Rand Municipalities			472	11 725	-	-	
Total: Gauteng Municipalities			13 546	66 976	-	-	

APPENDIX W4

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

Category Municipality			Expanded Public Works Programme Integrated Grant for Municipalities			
			FTE Target for 2021/22	National and Municipal Financial Year		
				2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
KWAZULU-NATAL						
A	ETH	eThekweni	5 249	81 691	-	-
B	KZN212	uMdoni	133	1 976	-	-
B	KZN213	uMzumbane	141	1 658	-	-
B	KZN214	uMuziwabantu	94	980	-	-
B	KZN216	Ray Nkonyeni	72	5 558	-	-
C	DC21	Ugu District Municipality	896	3 611	-	-
Total: Ugu Municipalities			1 336	13 783	-	-
B	KZN221	uMshwathi	114	1 376	-	-
B	KZN222	uMngeni	93	980	-	-
B	KZN223	Mpofana	56	1 136	-	-
B	KZN224	iMpendle	56	1 221	-	-
B	KZN225	Msunduzi	742	3 516	-	-
B	KZN226	Mkhambathini	72	1 329	-	-
B	KZN227	Richmond	78	1 101	-	-
C	DC22	uMgungundlovu District Municipality	388	2 299	-	-
Total: uMgungundlovu Municipalities			1 599	12 958	-	-
B	KZN235	Okhahlamba	131	2 513	-	-
B	KZN237	iNkosi Langalibalele	159	2 114	-	-
B	KZN238	Alfred Duma	270	4 143	-	-
C	DC23	uThukela District Municipality	694	3 516	-	-
Total: uThukela Municipalities			1 254	12 286	-	-
B	KZN241	eNdumeni	73	1 589	-	-
B	KZN242	Nquthu	125	1 260	-	-
B	KZN244	uMsinga	183	3 989	-	-
B	KZN245	uMvoti	-	-	-	-
C	DC24	uMzinyathi District Municipality	727	4 841	-	-
Total: uMzinyathi Municipalities			1 108	11 679	-	-
B	KZN252	Newcastle	434	2 948	-	-
B	KZN253	eMadlangeni	-	-	-	-
B	KZN254	Dannhauser	-	-	-	-
C	DC25	Amajuba District Municipality	165	1 693	-	-
Total: Amajuba Municipalities			599	4 641	-	-
B	KZN261	eDumbe	78	1 231	-	-
B	KZN262	uPhongolo	131	2 504	-	-
B	KZN263	AbaQulusi	163	2 515	-	-
B	KZN265	Nongoma	135	1 868	-	-
B	KZN266	Ulundi	156	3 660	-	-
C	DC26	Zululand District Municipality	926	9 612	-	-
Total: Zululand Municipalities			1 583	21 390	-	-
B	KZN271	uMhlabyalingana	145	1 759	-	-
B	KZN272	Jozini	174	3 296	-	-
B	KZN275	Mtubatuba	124	1 028	-	-
B	KZN276	Big Five Hlabisa	94	1 545	-	-
C	DC27	uMkhanyakude District Municipality	833	5 846	-	-
Total: uMkhanyakude Municipalities			1 370	13 474	-	-
B	KZN281	uMfolozi	111	1 557	-	-
B	KZN282	uMhlathuze	44	3 417	-	-
B	KZN284	uMlalazi	185	3 416	-	-
B	KZN285	Mthonjaneni	87	1 891	-	-
B	KZN286	Nkandla	125	3 552	-	-
C	DC28	King Cetshwayo District Municipality	661	4 619	-	-
Total: King Cetshwayo Municipalities			1 213	18 452	-	-
B	KZN291	Mandeni	155	2 435	-	-
B	KZN292	KwaDukuza	204	1 732	-	-
B	KZN293	Ndwedwe	135	2 412	-	-
B	KZN294	Maphumulo	100	1 786	-	-
C	DC29	iLembe District Municipality	761	6 363	-	-
Total: iLembe Municipalities			1 355	14 728	-	-
B	KZN433	Greater Kokstad	120	4 628	-	-
B	KZN434	uBuhlebezwe	122	2 131	-	-
B	KZN435	uMzimkhulu	196	3 377	-	-
B	KZN436	Dr Nkosazana Dlamini Zuma	124	2 323	-	-
C	DC43	Harry Gwala District Municipality	767	4 596	-	-
Total: Harry Gwala Municipalities			1 329	17 055	-	-
Total: KwaZulu-Natal Municipalities			17 995	222 137	-	-

APPENDIX W4

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

		Expanded Public Works Programme Integrated Grant for Municipalities			
Category	Municipality	FTE Target for 2021/22	National and Municipal Financial Year		
			2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
LIMPOPO					
B	LIM331 Greater Giyani	263	3 851	-	-
B	LIM332 Greater Letaba	227	1 918	-	-
B	LIM333 Greater Tzaneen	441	8 463	-	-
B	LIM334 Ba-Phalaborwa	128	1 195	-	-
B	LIM335 Maruleng	108	1 175	-	-
C	DC33 Mopani District Municipality	1 734	10 129	-	-
Total: Mopani Municipalities		2 901	26 731	-	-
B	LIM341 Musina	123	1 715	-	-
B	LIM343 Thulamela	428	6 069	-	-
B	LIM344 Makhado	345	2 280	-	-
B	LIM345 Collins Chabane	311	1 784	-	-
C	DC34 Vhembe District Municipality	1 844	2 245	-	-
Total: Vhembe Municipalities		3 051	14 093	-	-
B	LIM351 Blouberg	171	1 266	-	-
B	LIM353 Molemole	142	1 429	-	-
B	LIM354 Polokwane	104	7 971	-	-
B	LIM355 Lepele-Nkumpi	215	1 969	-	-
C	DC35 Capricorn District Municipality	863	3 866	-	-
Total: Capricorn Municipalities		1 495	16 501	-	-
B	LIM361 Thabazimbi	132	1 256	-	-
B	LIM362 Lephale	169	1 220	-	-
B	LIM366 Bela-Bela	108	1 353	-	-
B	LIM367 Mogalakwena	568	1 292	-	-
B	LIM368 Modimolle-Mookgophong	164	2 245	-	-
C	DC36 Waterberg District Municipality	-	-	-	-
Total: Waterberg Municipalities		1 141	7 366	-	-
B	LIM471 Ephraim Mogale	133	1 195	-	-
B	LIM472 Elias Motoaledi	221	2 199	-	-
B	LIM473 Makhuduthamaga	242	1 825	-	-
B	LIM476 Fetakgomo Tubatse	318	1 688	-	-
C	DC47 Sekhukhune District Municipality	1 782	8 180	-	-
Total: Sekhukhune Municipalities		2 696	15 087	-	-
Total: Limpopo Municipalities		11 284	79 778	-	-
MPUMALANGA					
B	MP301 Chief Albert Luthuli	324	1 391	-	-
B	MP302 Msukaligwa	211	1 986	-	-
B	MP303 Mkhondo	304	2 211	-	-
B	MP304 Dr Pixley ka Isaka Seme	106	1 059	-	-
B	MP305 Lekwa	132	2 471	-	-
B	MP306 Dipaleseng	84	1 485	-	-
B	MP307 Govan Mbeki	225	1 677	-	-
C	DC30 Gert Sibande District Municipality	36	2 752	-	-
Total: Gert Sibande Municipalities		1 422	15 032	-	-
B	MP311 Victor Khanye	128	3 191	-	-
B	MP312 Emalahleni	500	6 015	-	-
B	MP313 Steve Tshwete	60	4 590	-	-
B	MP314 Emakhazeni	80	1 307	-	-
B	MP315 Thembisile Hani	462	2 127	-	-
B	MP316 Dr JS Moroka	459	1 451	-	-
C	DC31 Nkangala District Municipality	33	2 551	-	-
Total: Nkangala Municipalities		1 722	21 232	-	-
B	MP321 Thaba Chweu	190	1 836	-	-
B	MP324 Nkomazi	873	6 125	-	-
B	MP325 Bushbuckridge	1 389	5 379	-	-
B	MP326 City of Mbombela	1 267	7 036	-	-
C	DC32 Ehlanzeni District Municipality	42	3 234	-	-
Total: Ehlanzeni Municipalities		3 761	23 610	-	-
Total: Mpumalanga Municipalities		6 905	59 874	-	-

APPENDIX W4

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

		Expanded Public Works Programme Integrated Grant for Municipalities			
Category	Municipality	FTE Target for 2021/22	National and Municipal Financial Year		
			2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
NORTHERN CAPE					
B	NC061 Richtersveld	-	-	-	-
B	NC062 Nama Khoi	65	1 169	-	-
B	NC064 Kamiesberg	39	1 075	-	-
B	NC065 Hantam	53	1 567	-	-
B	NC066 Karoo Hoogland	-	-	-	-
B	NC067 Khâi-Ma	-	-	-	-
C	DC6 Namakwa District Municipality	-	-	-	-
Total: Namakwa Municipalities		157	3 811	-	-
B	NC071 Ubuntu	-	-	-	-
B	NC072 Umsobomvu	53	1 075	-	-
B	NC073 Emthanjeni	60	1 389	-	-
B	NC074 Kareeberg	40	980	-	-
B	NC075 Renosterberg	39	1 075	-	-
B	NC076 Thembelihle	46	1 075	-	-
B	NC077 Siyathemba	47	1 087	-	-
B	NC078 Siyancuma	-	-	-	-
C	DC7 Pixley Ka Seme District Municipality	14	1 075	-	-
Total: Pixley Ka Seme Municipalities		299	7 756	-	-
B	NC082 !Kai !Garib	93	1 142	-	-
B	NC084 !Kheis	49	980	-	-
B	NC085 Tsantsabane	-	-	-	-
B	NC086 Kgatelopele	41	1 075	-	-
B	NC087 Dawid Kruiper	101	1 113	-	-
C	DC8 Z.F. Mgcawu District Municipality	-	-	-	-
Total: Z.F. Mgcawu Municipalities		284	4 310	-	-
B	NC091 Sol Plaatjie	44	3 362	-	-
B	NC092 Dikgatlong	80	950	-	-
B	NC093 Magareng	53	1 121	-	-
B	NC094 Phokwane	-	-	-	-
C	DC9 Frances Baard District Municipality	14	1 077	-	-
Total: Frances Baard Municipalities		191	6 510	-	-
B	NC451 Joe Morolong	225	1 126	-	-
B	NC452 Ga-Segonyana	205	1 421	-	-
B	NC453 Gamagara	53	1 004	-	-
C	DC45 John Taolo Gaetsewe District Municipality	14	1 075	-	-
Total: John Taolo Gaetsewe Municipalities		497	4 626	-	-
Total: Northern Cape Municipalities		1 428	27 013	-	-
NORTH WEST					
B	NW371 Moretele	434	2 344	-	-
B	NW372 Madibeng	1 008	1 175	-	-
B	NW373 Rustenburg	911	6 388	-	-
B	NW374 Kgetlengrivier	103	980	-	-
B	NW375 Moses Kotane	549	1 708	-	-
C	DC37 Bojanala Platinum District Municipality	19	1 468	-	-
Total: Bojanala Platinum Municipalities		3 024	14 063	-	-
B	NW381 Ratlou	122	1 524	-	-
B	NW382 Tswaing	127	1 900	-	-
B	NW383 Mafikeng	236	1 595	-	-
B	NW384 Ditsobotla	148	1 510	-	-
B	NW385 Ramotshere Moiloa	146	1 212	-	-
C	DC38 Ngaka Modiri Molema District Municipality	1 084	2 140	-	-
Total: Ngaka Modiri Molema Municipalities		1 863	9 881	-	-
B	NW392 Naledi	77	1 379	-	-
B	NW393 Mamusa	71	1 323	-	-
B	NW394 Greater Taung	189	1 709	-	-
B	NW396 Lekwa-Teemane	65	1 075	-	-
B	NW397 Kagisano-Molopo	141	2 775	-	-
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	511	1 835	-	-
Total: Dr Ruth Segomotsi Mompati Municipalities		1 054	10 096	-	-
B	NW403 City of Matlosana	330	1 786	-	-
B	NW404 Maquassi Hills	116	1 386	-	-
B	NW405 JB Marks	263	2 204	-	-
C	DC40 Dr Kenneth Kaunda District Municipality	28	2 122	-	-
Total: Dr Kenneth Kaunda Municipalities		737	7 498	-	-
Total: North West Municipalities		6 678	41 538	-	-

APPENDIX W4

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

			Expanded Public Works Programme Integrated Grant for Municipalities			
Category	Municipality	FTE Target for 2021/22	National and Municipal Financial Year			
			2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	
WESTERN CAPE						
A	CPT City of Cape Town	3 807	49 772	-	-	
B	WC011 Matzikama	98	1 836	-	-	
B	WC012 Cederberg	77	1 755	-	-	
B	WC013 Bergrivier	77	2 075	-	-	
B	WC014 Saldanha Bay	101	2 646	-	-	
B	WC015 Swartland	98	1 832	-	-	
C	DC1 West Coast District Municipality	18	1 401	-	-	
Total: West Coast Municipalities		469	11 545	-	-	
B	WC022 Witzenberg	112	2 617	-	-	
B	WC023 Drakenstein	43	3 287	-	-	
B	WC024 Stellenbosch	78	5 998	-	-	
B	WC025 Breede Valley	159	2 965	-	-	
B	WC026 Langeberg	105	2 210	-	-	
C	DC2 Cape Winelands District Municipality	18	1 413	-	-	
Total: Cape Winelands Municipalities		515	18 490	-	-	
B	WC031 Theewaterskloof	114	1 721	-	-	
B	WC032 Overstrand	109	2 530	-	-	
B	WC033 Cape Agulhas	67	2 297	-	-	
B	WC034 Swellendam	63	1 682	-	-	
C	DC3 Overberg District Municipality	14	1 053	-	-	
Total: Overberg Municipalities		367	9 283	-	-	
B	WC041 Kannaland	53	1 359	-	-	
B	WC042 Hessequa	62	1 154	-	-	
B	WC043 Mossel Bay	106	1 672	-	-	
B	WC044 George	180	3 068	-	-	
B	WC045 Oudtshoorn	98	1 784	-	-	
B	WC047 Bitou	83	996	-	-	
B	WC048 Knysna	102	1 118	-	-	
C	DC4 Garden Route District Municipality	27	2 071	-	-	
Total: Garden Route Municipalities		711	13 222	-	-	
B	WC051 Laingsburg	36	1 098	-	-	
B	WC052 Prince Albert	41	1 243	-	-	
B	WC053 Beaufort West	65	1 285	-	-	
C	DC5 Central Karoo District Municipality	16	1 269	-	-	
Total: Central Karoo Municipalities		158	4 895	-	-	
Total: Western Cape Municipalities		6 027	107 207	-	-	
Unallocated			-	778 395	781 385	
National Total		84 097	758 693	778 395	781 385	

APPENDIX W5

**APPENDIX TO SCHEDULE 5, PART B AND 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 W5

APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT

BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT

Project Code	Project Name	Category	Water Services Authority	Benefiting Municipality	Schedule 5, Part B				Schedule 6, Part B					
					National and Municipal Financial Year				National and Municipal Financial Year					
					2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)			
EASTERN CAPE														
RS05	Ikwezi Bulk Water Supply	B	Dr Beyers Naude Local Municipality	Dr Beyers Naude Local Municipality	-	-	-	-	15 000	30 000	10 000			
RS07	Misgund Bulk Water Supply	B	Koo-kamma Local Municipality	Koo-kamma Local Municipality	-	-	-	-	10 000	10 000	1 000			
RS42	James Kleyihans Bulk Water Supply (BWS)	B	Makana Local Municipality	Makana Local Municipality	-	-	-	-	80 000	15 743	26 743			
RS47	Mayfield Waste Water Treatment Works	B	Makana Local Municipality	Makana Local Municipality	-	-	-	-	-	10 000	10 000			
RS01	Graaf-Reinet Emergency Water Supply Scheme (WSS)	B	Dr Beyers Naude Local Municipality	Dr Beyers Naude Local Municipality	-	-	-	-	16 000	7 000	7 000			
RL01	Ndlambe Bulk Water Supply	B	Ndlambe Local Municipality	Ndlambe Local Municipality	-	-	-	-	30 000	10 000	10 000			
RS02	Sundays River - Paterson Bulk Water Supply	B	Sundays River Valley Local Municipality	Sundays River Valley Local Municipality	-	-	-	-	4 500	-	-			
RS06	Kirkwood Water Treatment Works	B	Dr Beyers Naude Local Municipality	Dr Beyers Naude Local Municipality	-	-	-	-	10 000	15 000	1 000			
			Total: Sarah Baartman Municipalities		-	-	-	-	165 500	97 743	65 743			
RL16	Xhosa East Water Supply	C	Amathole District Municipality	Mbashe Local Municipality	-	-	-	-	20 000	4 000	-			
RL	Sundwana Water Supply	C	Amathole District Municipality	Mbashe Local Municipality	-	-	-	-	2 000	20 000	40 000			
RS	Ngqamakhwe Bulk Water Supply (Butterworth Water Transfer Scheme)	C	Amathole District Municipality	Mquma Local Municipality	-	-	-	-	133 715	258 237	204 237			
			Total: Amathole Municipalities		-	-	-	-	155 715	282 237	244 237			
RBIG 5b	Cluster 4 CHDM Bulk Water Supply	C	Chris Hami District Municipality	Engcobo Local Municipality	82 682	40 000	35 316	-	-	-	-			
RBIG 5b	Cluster 6 CHDM Bulk Water Supply	C	Chris Hami District Municipality	Engcobo Local Municipality	27 586	17 586	7 586	-	-	-	-			
RBIG 5b	Cluster 9 CHDM Bulk Water Supply	C	Chris Hami District Municipality	Intsika Yethu Local Municipality	64 814	18 459	14 814	-	-	-	-			
RBIG 5b	Xonxa Bulk Water Supply	C	Chris Hami District Municipality	Engcobo Local Municipality	44 729	4 729	2 000	-	-	-	-			
RS02	Hofmeyer Ground Water Supply	C	Chris Hami District Municipality	Enoch Mqijima Local Municipality	2 000	-	-	-	-	-	-			
RBIG 5b	Middleburg Ground Water Supply	C	Chris Hami District Municipality	Enoch Mqijima Local Municipality	20 000	5 000	-	-	-	-	-			
			Total: Chris Hami Municipalities		241 811	85 774	59 716	-	-	-	-			
RBIG 5b	O.R. Tambo, Mthatha, King Sabata Dalindyebo Water Supply	C	O.R. Tambo District Municipality	King Sabata Dalindyebo Local Municipality	239 518	346 133	421 133	-	-	-	-			
			Total: O.R. Tambo Municipalities		239 518	346 133	421 133	-	-	-	-			
RS08	Matatiele Bulk Water Supply Scheme	C	Alfred Nzo District Municipality	Matatiele Local Municipality	-	-	-	-	1 000	8 000	13 969			
RS48	Kinira Regional BWS	C	Alfred Nzo District Municipality	Matatiele Local Municipality	-	-	-	-	-	8 000	15 000			
RS43	Ntabankulu Bulk Water Supply	C	Alfred Nzo District Municipality	Ntabankulu Local Municipality	-	-	-	-	-	-	-			
RS49	Mount Ayliff Bulk Peri Urban Water Supply	C	Alfred Nzo District Municipality	Umzimvubu Local Municipality	-	-	-	-	30 000	-	-			
RS50	Mkemanne Regional Bulk WSS	C	Alfred Nzo District Municipality	Umzimvubu Local Municipality	-	-	-	-	-	9 003	15 000			
			Total: Alfred Nzo Municipalities		-	-	-	-	31 000	25 003	43 969			
			Total: Eastern Cape Municipalities		481 329	431 907	480 849	-	352 215	404 983	353 949			

APPENDIX W5
APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT

Project Code	Project Name	Category	Water Services Authority	Benefiting Municipality	Schedule 5, Part B				Schedule 6, Part B			
					National and Municipal Financial Year				National and Municipal Financial Year			
					2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	
FREE STATE												
RBIG 5b	Rouxville / Smithfield /Zastron Bulk Water Supply	B	FS163	Mohokare Local Municipality		20 000	-	-	-	-	-	-
		Total: Xhariep Municipalities				20 000						
RS52	Masilonyana Bulk Water Supply	B	FS181	Masilonyana Local Municipality		-	-	60 000	130 000	180 000	-	-
Covid-19	Brandford bulk sewer	B	FS181	Masilonyana Local Municipality		-	-	20 000	-	-	-	-
RL24	Tokologo Regional Water Supply 2	B	FS182	Tokologo Local Municipality		-	-	72 065	90 000	100 000	-	-
BEP	Dealesville	B	FS182	Tokologo Local Municipality		-	-	33 668	-	-	-	-
RS18	Tswelopele Bulk Water Supply	B	FS183	Tswelopele Local Municipality		-	-	30 000	13 329	158 999	-	-
RL34	Matlhabeng Bulk Sewer (Welkom)	B	FS184	Matlhabeng Local Municipality		-	-	30 000	100 000	438 999	-	-
		Total: Lefwepontswa Municipalities						245 733	333 329			
RBIG 5b	Setsoho Bulk Water Supply	B	FS191	Setsoho Local Municipality		110 000	150 000	150 000	-	-	-	-
BEP	Cloocoon	B	FS191	Setsoho Local Municipality		-	-	60 652	-	-	-	-
BEP	Ficksburg	B	FS191	Setsoho Local Municipality		-	-	54 911	-	-	-	-
BEP	Senekal	B	FS191	Setsoho Local Municipality		-	-	70 548	-	-	-	-
Covid-19	Lindley Sewer	B	FS193	Nketoana Local Municipality		-	-	33 103	-	-	-	-
BEP	Arlington	B	FS194	Nketoana Local Municipality		-	-	30 000	-	-	-	-
BEP	Petrus Sten	B	FS195	Nketoana Local Municipality		-	-	132 761	-	-	-	-
RL25	Dhlabeng Bulk Water Supply Phase 3	B	FS192	Dhlabeng Local Municipality		-	-	36 608	-	-	-	-
RL12	Nketoana Regional Water Supply	B	FS193	Nketoana Local Municipality		-	-	30 000	90 000	155 900	-	-
RS19	Maluti-a-Phofung BWS Phase 2	B	FS194	Maluti-a-Phofung Local Municipality		-	-	49 000	90 000	50 000	-	-
Covid-19	Warden Treatment works and pumps	B	FS195	Phumalela Local Municipality		5 000	-	79 000	50 000	60 000	-	-
Covid-19	Manisopa water and sanitation intervention	B	FS196	Manisopa Local Municipality		-	-	14 000	-	-	-	-
		Total: Thabo Mofutsanyana Municipalities				115 000	150 000	590 583	230 000	265 900		
RBIG 5b	Ngwathe Bulk Water Supply Phase 2	B	FS203	Ngwathe Local Municipality		78 921	54 407	73 896	-	-	-	-
RS51	Upgrading of Deneysville WWTW	B	FS204	Metsimaholo Local Municipality		-	-	40 000	-	-	-	-
Covid-19	Matlabe water and sanitation intervention	B	FS204	Matlabe Local Municipality		-	-	15 000	-	-	-	-
RS26	Frankfort Bulk Sewer (Matlabe)	B	FS205	Matlabe Local Municipality		-	-	60 000	60 000	20 000	-	-
		Total: Fezile Dabi Municipalities				78 921	54 407	115 000	60 000	20 000		
		Total: Free State Municipalities				213 921	204 407	951 316	623 329	724 899		
RM02	Sedibeng Regional Waste Water Treatment Works	B	GT421	Emfuleni Local Municipality	Emfuleni, Midvaal and City of Johannesburg	-	-	60 254	108 370	116 279	-	-
RM05	Sebokeng Waste Water Treatment Works	B	GT421	Emfuleni Local Municipality	Emfuleni Local Municipality	-	-	100 000	100 000	100 000	-	-
RS55	Vaal River System Intervention	B	GT421	Emfuleni Local Municipality	Emfuleni Local Municipality	-	-	117 153	500 000	500 000	-	-
RL04	Rotlilene pump station and rising main	B	GT422	Midvaal Local Municipality	Midvaal Local Municipality	-	-	40 000	-	-	-	-
	Meyerton Waste Water Treatment Works	B	GT422	Midvaal Local Municipality	Midvaal Local Municipality	-	-	50 000	10 000	-	-	-
		Total: Sedibeng Municipalities						367 407	718 370	716 279		
RM06	Westonaria Regional Bulk Sanitation (Zuurbekom)	B	GT485	Rand West City Local Municipality	Rand West City Local Municipality	-	-	50 000	100 000	150 000	-	-
RS56	Mohlakeng pump station and sewer outfall	B	GT485	Rand West City Local Municipality	Rand West City Local Municipality	-	-	20 000	100 000	100 000	-	-
		Total: West Rand Municipalities						70 000	200 000	250 000		
		Total: Gauteng Municipalities						437 407	918 370	966 279		

APPENDIX W5
APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT

Project Code	Project Name	Category	Water Services Authority	Benefiting Municipality	Schedule 5, Part B			Schedule 6, Part B		
					National and Municipal Financial Year			National and Municipal Financial Year		
					2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
KWAZULU-NATAL										
RBIG 5b	Driefontein Indakha Bulk Water Supply	C	DC23 uThukela District Municipality	Alfred Duma Local Municipality	6 090	-	-	-	-	-
			Total: uThukela Municipalities		6 090	-	-	-	-	-
RBIG 5b	Nongoma Bulk Water Supply	C	DC25 Zululand District Municipality	Nongoma Local Municipality	112 531	-	-	-	-	-
RBIG 5b	Mandlakazi Bulk Water Supply	C	DC26 Zululand District Municipality	uPhongolo and Nongoma Local Municipalities	110 000	140 000	215 312	-	-	-
			Total: Zululand Municipalities		222 531	140 000	215 312	-	-	-
RBIG 5b	Greater Mthonjaneni Bulk Water Supply	C	DC28 King Ceshwayo District Municipality	Mthonjaneni/ Nkandla Local Municipalities	-	70 000	70 000	-	-	-
RBIG 5b	Middledrift (Nkandla) Regional Bulk Water Supply	C	DC28 King Ceshwayo District Municipality	Nkandla Local Municipality	10 000	60 000	90 000	-	-	-
			Total: King Ceshwayo Municipalities		10 000	130 000	160 000	-	-	-
RBIG 5b	Greater Bulwer Domybrook Water Scheme	C	DC43 Harry Gwala District Municipality	Dr Nkosazana Dlamini Zuma and uBuhlebezwe Local Municipalities	-	20 000	20 000	-	-	-
			Total: Sisonke Municipalities		-	20 000	20 000	-	-	-
			Total: KwaZulu-Natal Municipalities		238 621	290 000	395 312	-	-	-
LIMPOPO										
RL28	Giyani Bulk Water Supply/Drought Relief	C	DC33 Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	111 341	249 989	250 000
RM08	Giyani Water Services	C	DC33 Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	130 000	120 000	11 595
RL29	Mameja Sekororo Bulk Water Supply	C	DC33 Mopani District Municipality	Maruleng Local Municipality	-	-	-	75 500	100 000	270 000
RS135	Bambanana Pipeline	C	DC33 Mopani District Municipality	Maruleng Local Municipality	-	-	-	95 572	106 542	30 000
			Total: Mopani Municipalities		-	-	-	412 413	576 531	561 595
RL13	Sinthumule Kutama Bulk Water Supply	C	DC34 Vhembe District Municipality	Makhado Local Municipality	-	-	-	80 000	50 000	-
			Total: Vhembe Municipalities		-	-	-	80 000	50 000	-
RBIG 5b	Polokwane Waste Water Treatment Works	B	LM354 Polokwane Local Municipality	Polokwane Local Municipality	218 806	154 584	120 597	-	-	-
			Total: Capricon Municipalities		218 806	154 584	120 597	-	-	-
RM04	Mogalakwena Bulk Water Supply	B	LM367 Mogalakwena Local Municipality	Mogalakwena Local Municipality	-	-	-	70 739	125 000	250 000
			Total: Waterberg Municipalities		-	-	-	70 739	125 000	250 000
RL14	Montse Bulk Water Supply	C	DC47 Sekhukhune District Municipality	Ephraim Mogale/ Elias Mosealedi local municipalities	-	-	-	80 000	50 000	-
RM12	Nebo Bulk Water Supply	C	DC47 Sekhukhune District Municipality	Tubatse Local Municipality/ Makhudumhaga Local Municipality	-	-	-	50 000	32 365	-
RM07	Mooitook/Tubatse Bulk Water Supply	C	DC47 Sekhukhune District Municipality	Tubatse Local Municipality	-	-	-	94 645	60 000	30 000
			Total: Sekhukhune Municipalities		-	-	-	224 645	142 365	30 000
			Total: Limpopo Municipalities		218 806	154 584	120 597	787 797	893 896	841 595

APPENDIX W5
APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT

Project Code	Project Name	Category	Water Services Authority	Benefiting Municipality	Schedule 5, Part B				Schedule 6, Part B					
					National and Municipal Financial Year				National and Municipal Financial Year					
					2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)			
MPUMALANGA														
RBIG 5b	Lekwa Water Services	B	Lekwa Local Municipality	Lekwa Local Municipality	-	70 000	-	-	10 000	40 000	-	70 000		
RBIG 5b	Embalentle Bulk Sewer and WWTW's refurbishment & upgrading	B	MP306	Goven Mbeki Local Municipality	40 000	-	96 793	-	-	-	-	-		
RBIG 5b	Empul/Methu/Amster Bulk Water Supply	B	MP301	Chief Albert Luthuli Local Municipality	70 000	-	-	-	-	-	-	-		
RBIG 5b	Eersteboek/Eklimdeni Bulk Water Supply	B	MP301	Chief Albert Luthuli Local Municipality	75 000	-	78 000	-	-	-	-	-		
RBIG 5b	Amsterdam and Sheepmore Bulk Water Scheme	B	MP301	Mkhondo and Msakaligwa Local Municipality	-	-	-	30 000	-	90 000	-	100 000		
RBIG 5b	Msakaligwa regional water supply scheme (Phase 1)	B	MP302	Msakaligwa Local Municipality	86 080	-	160 000	-	-	-	-	-		
RBIG 5b	Balf/Syat/Grey/Willem/Nhor Bulk Water Supply	B	MP306	Dipaleseng Local Municipality	-	-	-	-	102 000	69 696	-	20 000		
	Total: Gert Sibande Municipalities				271 080	330 000	334 793	-	142 000	199 696	-	190 000		
RBIG 5b	Steve Tshwete Water Services	B	MP313	Steve Tshwete Local Municipality	45 000	-	36 000	-	-	80 000	-	150 000		
RL35	Thembsile Water Scheme (Loskop)	B	MP315	Thembsile Local Municipality	-	-	-	-	75 000	-	-	-		
RL36	Western Highveld (Rust de Winter) Bulk Water Scheme	B	MP316	Dr JS Moroka Local Municipality	-	-	-	-	5 000	30 000	-	53 721		
	Total: Nkangala Municipalities				45 000	82 000	36 000	-	80 000	110 000	-	203 721		
RL17	Northern Nkazi Bulk Water Supply	B	MP326	City of Mbombela	10 000	-	100 000	-	-	-	-	-		
RS37	Drekoopies Upgrading	B	MP324	Nkomazi Local Municipality	85 000	-	75 142	-	80 057	25 000	-	-		
RS30	Sibange Bulk Water Supply	B	MP324	Nkomazi Local Municipality	-	-	-	-	30 000	50 000	-	-		
	Total: Ehlanzeni Municipalities				95 000	135 142	135 000	-	110 057	75 000	-	-		
	Total: Mpumalanga Municipalities				411 080	547 142	505 793	-	332 057	384 696	-	393 721		
NORTHERN CAPE														
RBIG 5b	Van Wykslei Groundwater	B	NC074	Kareeberg Local Municipality	43 922	-	-	-	-	-	-	-		
BEP	Grékwaslad Clumpbell	B	NC078	Siyancuna Local Municipality	-	-	-	-	5 686	-	-	-		
	Total: Pixley ka Seme Municipalities				43 922	-	-	-	5 686	-	-	-		
RS28	Uprington Wastewater treatment works	B	NC087	David Kruijer Local Municipality	-	-	-	-	27 000	41 588	-	54 542		
RBIG 5b	Daniëlskuil Wastewater Treatment works	B	NC086	Kgatelopele Local Municipality	62 367	105 102	132 809	-	-	-	-	-		
	Total: Z.F. Mgcawu Municipalities				62 367	105 102	132 809	-	27 000	41 588	-	54 542		
Covid-19	Warrenton Waste Water Treatment Works	B	NC093	Magareng Local Municipality	-	-	-	-	7 000	-	-	-		
RBIG 5b	Windsorton to Holpan Bulk Water Supply	B	NC092	Dikgatlong Local Municipality	-	-	-	-	9 945	13 055	-	-		
	Total: Frances Baard Municipalities				-	-	-	-	16 945	13 055	-	-		
RBIG 5b	Kathu Bulk Water Supply	B	NC453	Gamaagara Local Municipality	-	30 000	35 000	-	-	-	-	-		
	Total: John Taolo Gaetsewe Municipalities				-	30 000	35 000	-	-	-	-	-		
	Total: Northern Cape Municipalities				106 289	135 102	167 809	-	49 631	54 643	-	54 542		

APPENDIX W5
APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT
BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT

Project Code	Project Name	Category	Water Services Authority	Benefiting Municipality	Schedule 5, Part B				Schedule 6, Part B					
					National and Municipal Financial Year				National and Municipal Financial Year					
					2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)			
NORTH WEST														
RL09	Madibeng Bulk Water Supply (Bris)	B	NW372 Madibeng Local Municipality	Madibeng Local Municipality	-	-	-	-	155 041	120 608	120 002			
RL15	Moretele South Bulk Water Supply (Klipdrift)	B	NW371 Moretele Local Municipality	Moretele Local Municipality	-	-	-	-	35 000	10 000	20 027			
RL	Moretele North Bulk Water Supply	B	NW371 Moretele Local Municipality	Moretele Local Municipality	-	-	-	-	15 000	14 392	15 223			
RS57	Koster Waste Water Treatment Works upgrade	B	NW374 Kgetlengrivier Local Municipality	Kgetlengrivier Local Municipality	-	-	-	-	3 000	-	-			
	Total: Bojanala Platinum Municipalities				-	-	-	-	208 041	145 000	155 252			
RS32	Ratlou Bulk Water Supply	C	DC38 Ngaka Modiri Molema Local Municipality	Ratlou Local Municipality	-	-	-	-	40 000	30 000	29 000			
RL33	Matikeng South Bulk Water Supply	C	DC38 Ngaka Modiri Molema Local Municipality	Matikeng Local Municipality	-	-	-	-	50 000	29 936	20 000			
	Total: Ngaka Modiri Molema Municipalities				-	-	-	-	90 000	59 936	49 000			
RBIG 5b	Taung/ Naledi Bulk Water Supply (phase 1 to 3)	C	DC39 Dr Ruth Segomotsi Mompati District Municipality	Greater Taung/ Naledi Local Municipalities	147 926	100 000	20 000	-	-	-	-			
RBIG 5b	Greater Mamusa Bulk Water Supply (phase 1 to 4)	C	DC39 Dr Ruth Segomotsi Mompati District Municipality	Greater Mamusa Local Municipality	165 392	145 720	150 000	-	-	-	-			
RBIG 5b	Kagisano Molapo Bulk Water Supply	C	DC40 Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molapo Local Municipality	145 000	242 671	317 038	-	-	-	-			
	Total: Dr Ruth Segomotsi Mompati Municipalities				458 318	488 391	487 038	-	-	-	-			
RS35	Potchestrom Waste Water Treatment Works upgrade (Thokwe) Phase 1 to 5	B	NW405 JB Marks Local Municipality	JB Marks Local Municipality	-	-	-	-	44 493	50 000	52 937			
	Total: Dr Kenneth Kaunda Municipalities				-	-	-	-	44 493	50 000	52 937			
	Total: North West Municipalities				458 318	488 391	487 038	342 534	254 936	257 189				
WESTERN CAPE														
RS132	Klawer Bulk Water	B	WC011 Matzikama Local Municipality	Matzikama Local Municipality	7 661	10 000	-	-	-	-	-			
RS131	Vanrhynsdorp Raw Water	B	WC011 Matzikama Local Municipality	Matzikama Local Municipality	-	-	-	-	-	15 197	15 153			
RS134	Clanwilliam/Lambertsbaai Regional Water Supply and Desalination	B	WC014 Cederberg Local Municipality	Cederberg Local Municipality	-	-	-	-	21 973	-	-			
	Total: West Coast Municipalities				7 661	10 000	-	-	21 973	15 197	15 153			
RBIG 5b	Tulbagh Bulk Water Supply	B	WC022 Wizenberg Local Municipality	Wizenberg Local Municipality	20 000	19 239	-	-	-	-	-			
	Total: Cape Winelands Municipalities				20 000	19 239	-	-	-	-	-			
	Total: Western Cape Municipalities				27 661	29 239	-	-	21 973	15 197	15 153			
National Total					2 156 025	2 280 772	2 381 294	3 274 930	3 550 050	3 607 327				

APPENDIX W6

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE EARLY CHILDHOOD DEVELOPMENT GRANT: ALLOCATIONS
PER GRANT COMPONENT PER PROVINCE**

(National Financial Years)

APPENDIX W6

APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE EARLY CHILDHOOD DEVELOPMENT GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE

Social Development (Vote 19) Province /Components	Early Childhood Development Grant		
	National Financial Year		
	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
Early Childhood Development Grant			
Eastern Cape	157 970	172 974	180 313
Free State	63 533	57 703	60 151
Gauteng	152 107	166 961	174 044
KwaZulu-Natal	227 031	246 758	257 227
Limpopo	143 443	146 231	152 435
Mpumalanga	96 251	95 254	99 295
Northern Cape	25 302	24 196	25 223
North West	88 751	101 924	106 249
Western Cape	102 273	101 631	105 943
Unallocated	-	78 286	81 607
Total	1 056 661	1 191 918	1 242 487
<i>of which:</i>			
Maintenance Component			
Eastern Cape	9 541	2 025	2 111
Free State	12 544	2 113	2 203
Gauteng	5 246	1 673	1 744
KwaZulu-Natal	14 830	3 099	3 230
Limpopo	16 803	3 859	4 023
Mpumalanga	13 568	2 025	2 111
Northern Cape	5 074	1 436	1 497
North West	3 240	1 499	1 563
Western Cape	12 750	1 842	1 920
Unallocated	-	78 286	81 607
Total: Maintenance Component	93 596	97 857	102 009
Subsidy Component			
Eastern Cape	148 429	170 949	178 202
Free State	50 989	55 590	57 948
Gauteng	146 861	165 288	172 300
KwaZulu-Natal	212 201	243 659	253 997
Limpopo	126 640	142 372	148 412
Mpumalanga	82 683	93 229	97 184
Northern Cape	20 228	22 760	23 726
North West	85 511	100 425	104 686
Western Cape	89 523	99 789	104 023
Total: Subsidy Component	963 065	1 094 061	1 140 478

APPENDIX W7

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE HIV, TB, MALARIA AND COMMUNITY OUTREACH GRANT:
ALLOCATIONS PER GRANT COMPONENT PER PROVINCE**

(National Financial Years)

APPENDIX W7

APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE HIV, TB, MALARIA AND COMMUNITY OUTREACH GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE

Health (Vote 18)	HIV, TB, Malaria and Community Outreach Grant		
	National Financial Year		
	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
Province /Components			
HIV, TB, Malaria and Community Outreach Grant			
Eastern Cape	3 062 784	3 093 381	3 026 917
Free State	1 633 446	1 656 958	1 617 125
Gauteng	5 955 802	6 014 176	5 820 120
KwaZulu-Natal	7 160 537	7 276 975	7 118 208
Limpopo	2 495 590	2 505 174	2 411 860
Mpumalanga	2 532 773	2 554 973	2 485 920
Northern Cape	734 088	788 066	736 343
North West	1 862 690	1 866 142	1 807 722
Western Cape	2 147 742	2 154 580	2 065 397
Total	27 585 452	27 910 425	27 089 612
<i>of which:</i>			
HIV and AIDS Component			
Eastern Cape	2 568 007	2 660 973	2 667 600
Free State	1 382 293	1 428 277	1 432 173
Gauteng	4 977 332	5 151 402	5 166 828
KwaZulu-Natal	6 104 745	6 312 528	6 332 313
Limpopo	1 814 106	1 870 610	1 876 193
Mpumalanga	2 020 115	2 099 408	2 102 653
Northern Cape	559 823	579 136	578 466
North West	1 436 117	1 485 004	1 489 349
Western Cape	1 701 235	1 759 314	1 763 115
Total	22 563 773	23 346 652	23 408 690
TB Component			
Eastern Cape	72 722	75 368	75 567
Free State	30 723	31 840	31 924
Gauteng	88 771	92 001	92 243
KwaZulu-Natal	111 575	115 634	115 939
Limpopo	46 771	48 473	48 601
Mpumalanga	35 388	36 676	36 773
Northern Cape	32 975	34 175	34 265
North West	21 496	22 278	22 336
Western Cape	65 696	68 086	68 266
Total	506 117	524 531	525 914
Malaria Elimination Component			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	15 450	16 012	16 055
Limpopo	62 719	65 002	65 173
Mpumalanga	26 012	26 959	27 029
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Total	104 181	107 973	108 257
Community Outreach Services Component			
Eastern Cape	174 266	181 805	182 504
Free State	128 344	133 897	134 411
Gauteng	481 374	502 201	504 130
KwaZulu-Natal	546 888	570 549	572 741
Limpopo	351 093	366 282	367 690
Mpumalanga	270 820	282 537	283 623
Northern Cape	94 321	98 402	98 779
North West	246 277	256 932	257 920
Western Cape	186 830	194 913	195 662
Total	2 480 213	2 587 518	2 597 460
Human Papillomavirus Component			
Eastern Cape	36 861	37 646	37 745
Free State	12 784	13 056	13 090
Gauteng	30 077	30 718	30 798
KwaZulu-Natal	49 533	50 587	50 721
Limpopo	30 253	30 897	30 978
Mpumalanga	19 454	19 868	19 921
Northern Cape	5 105	5 213	5 227
North West	14 607	14 918	14 958
Western Cape	21 584	22 044	22 102
Total	220 258	224 947	225 540
Mental Health Component			
Eastern Cape	16 280	16 800	16 844
Free State	5 342	5 512	5 527
Gauteng	25 246	26 053	26 121
KwaZulu-Natal	9 984	10 303	10 330
Limpopo	12 782	13 190	13 225
Mpumalanga	890	919	921
Northern Cape	4 452	4 594	4 606
North West	12 718	13 125	13 159
Western Cape	15 707	16 209	16 252
Total	103 401	106 705	106 985
Oncology Component			
Eastern Cape	10 000	10 000	46 657
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	20 092	20 000	20 109
Limpopo	10 000	10 000	10 000
Mpumalanga	37 417	15 000	15 000
Northern Cape	5 000	47 099	15 000
North West	25 000	10 000	10 000
Western Cape	-	-	-
Total	107 509	112 099	116 766
COVID-19 Component			
Eastern Cape	184 648	110 789	-
Free State	73 960	44 376	-
Gauteng	353 002	211 801	-
KwaZulu-Natal	302 270	181 362	-
Limpopo	167 866	100 720	-
Mpumalanga	122 677	73 606	-
Northern Cape	32 412	19 447	-
North West	106 475	63 885	-
Western Cape	156 690	94 014	-
Total	1 500 000	900 000	-

APPENDIX W8

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF HUMAN RESOURCES AND TRAINING GRANT: ALLOCATIONS PER
GRANT COMPONENT PER PROVINCE**

(National Financial Years)

APPENDIX W8

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF HUMAN RESOURCES AND TRAINING GRANT:
ALLOCATIONS PER GRANT COMPONENT PER PROVINCE**

Health (Vote 18)	Human Resources and Training Grant		
	National Financial Year		
	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
Province /Components			
Human Resources and Training Grant			
Eastern Cape	426 081	365 854	367 294
Free State	186 340	182 457	200 648
Gauteng	1 342 762	1 295 178	1 284 827
KwaZulu-Natal	562 959	571 970	578 935
Limpopo	230 320	230 279	230 325
Mpumalanga	188 805	188 563	192 578
Northern Cape	128 149	128 443	121 416
North West	193 113	193 020	189 191
Western Cape	795 929	818 062	805 331
Unallocated	-	25 149	26 255
Total	4 054 458	3 998 975	3 996 800
<i>of which:</i>			
Statutory Human Resources Component			
Eastern Cape	163 654	107 308	111 837
Free State	46 075	47 700	49 714
Gauteng	360 211	290 088	302 334
KwaZulu-Natal	222 293	230 130	239 844
Limpopo	80 990	83 845	87 384
Mpumalanga	65 449	67 757	70 617
Northern Cape	23 283	24 104	25 122
North West	55 256	57 204	59 618
Western Cape	266 199	275 583	287 216
Unallocated			
Total	1 283 410	1 183 719	1 233 686
Training Component			
Eastern Cape	262 427	258 546	255 457
Free State	140 265	134 757	150 934
Gauteng	982 551	1 005 090	982 493
KwaZulu-Natal	340 666	341 840	339 091
Limpopo	149 330	146 434	142 941
Mpumalanga	123 356	120 806	121 961
Northern Cape	104 866	104 339	96 294
North West	137 857	135 816	129 573
Western Cape	529 730	542 479	518 115
Unallocated	-	25 149	26 255
Total	2 771 048	2 815 256	2 763 114

APPENDIX W9

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

(National Financial Years)

APPENDIX W9

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

Province / Provincial Department	Expanded Public Works Programme Integrated Grant for Provinces			
	FTE Target for 2021/22	National Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
EASTERN CAPE				
Cooperative Governance and Traditional Affairs	28	2 187		
Economic Development, Environmental Affairs and Tourism	35	2 605		
Education	59	4 586		
Health	2 167	1 960		
Human Settlements	36	2 777		
Public Works	133	10 272		
Rural Development and Agrarian Reform	68	2 076		
Sport, Recreation, Arts and Culture	27	2 056		
Transport	5 656	73 580		
Total: Eastern Cape	8 209	102 099	-	-
FREE STATE				
Agriculture and Rural Development	55	2 088		
Economic Development and Small Business Development, Tourism and	31	2 389		
Education	26	2 037		
Health	1 876	2 037		
Human Settlements	27	2 152		
Police, Roads and Transport	4 231	4 234		
Public Works and Infrastructure	87	6 714		
Total: Free State	6 333	21 651	-	-
GAUTENG				
Agriculture and Rural Development	54	2 943		
Cooperative Governance and Traditional Affairs	26	2 037		
Education	33	2 547		
Health	3 216	2 218		
Human Settlements	110	8 507		
Infrastructure Development	246	18 988		
Roads and Transport	2 274	9 638		
Sport, Arts, Culture and Recreation	26	1 960		
Total: Gauteng	5 985	48 838	-	-
KWAZULU-NATAL				
Agriculture and Rural Development	103	4 699		
Arts and Culture	26	1 960		
Co-Operative Governance and Traditional Affairs	26	1 994		
Economic Development, Tourism and Environmental Affairs	67	5 080		
Education	27	2 110		
Health	4 418	12 689		
Human Settlements	92	7 149		
Public Works	71	5 465		
Transport	6 942	73 252		
Total: KwaZulu-Natal	11 772	114 398	-	-
LIMPOPO				
Agriculture and Rural Development	134	7 013		
Co-Operative Governance Human Settlements and Traditional Affairs	26	2 037		
Economic Development, Environment and Tourism	28	2 198		
Education	28	2 080		
Health	1 744	1 986		
Public Works, Roads and Infrastructure	3 890	12 023		
Social Development	30	2 338		
Sport, Arts and Culture	26	2 037		
Transport and Community Safety	26	2 037		
Total: Limpopo	5 932	33 749	-	-
MPUMALANGA				
Agriculture, Rural Development, Land and Environmental Affairs	98	5 027		
Co-Operative Governance and Traditional Affairs	29	2 257		
Culture, Sport and Recreation	30	2 362		
Economic Development and Tourism	52	4 034		
Education	27	2 135		
Public Works, Roads and Transport	3 098	6 921		
Total: Mpumalanga	3 334	22 736	-	-
NORTHERN CAPE				
Agriculture, Land Reform and Rural Development	55	2 151		
Cooperative Governance, Human Settlements and Traditional Affairs	26	2 037		
Economic Development and Tourism	26	1 960		
Education	37	2 874		
Environment and Nature Conservation	26	1 960		
Roads and Public Works	3 594	3 338		
Sports, Arts and Culture	27	2 070		
Total: Northern Cape	3 791	16 390	-	-

APPENDIX W9

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

Province / Provincial Department	Expanded Public Works Programme Integrated Grant for Provinces			
	FTE Target for 2021/22	National Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
NORTH WEST				
Agriculture and Rural Development	63	2 502		
Arts, Culture, Sport and Recreation	26	1 960		
Cooperative Governance, Human Settlements and Traditional Affairs	27	2 058		
Education	27	2 002		
Health	1 913	2 037		
Public Works and Roads	3 317	20 200		
Social Development	27	2 093		
Total: North West	5 400	32 852	-	-
WESTERN CAPE				
Agriculture	46	2 227		
Cultural Affairs and Sport	41	3 099		
Education	29	2 185		
Environmental Affairs and Development Planning	49	3 704		
Health	2 269	2 041		
Human Settlements	34	2 662		
Transport and Public Works	3 263	13 855		
Total: Western Cape	5 731	29 773	-	-
Unallocated	-	-		
Grand Total	56 487	422 486	-	-

APPENDIX W10

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

(National Financial Years)

APPENDIX W10

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			
	FTE Target for 2021/22	National Financial Year		
		2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
EASTERN CAPE				
Education	691	29 797		
Health	325	14 033		
Safety and Liaison	34	1 458		
Social Development	152	6 537		
Total: Eastern Cape	1 202	51 825	-	-
FREE STATE				
Education	146	6 287		
Health	255	10 993		
Social Development	471	20 320		
Total: Free State	872	37 600	-	-
GAUTENG				
Health	574	24 746		
Social Development	430	18 536		
Sport, Arts, Culture and Recreation	33	1 439		
Total: Gauteng	1 037	44 721	-	-
KWAZULU-NATAL				
Community Safety and Liaison	96	4 161		
Education	662	28 543		
Health	492	21 228		
Social Development	987	42 558		
Sport and Recreation	49	2 109		
Total: KwaZulu-Natal	2 286	98 599	-	-
LIMPOPO				
Education	492	21 215		
Health	855	36 891		
Social Development	222	9 581		
Total: Limpopo	1 570	67 687	-	-
MPUMALANGA				
Community Safety, Security and Liaison	55	2 354		
Culture, Sport and Recreation	38	1 638		
Health	387	16 695		
Social Development	142	6 137		
Total: Mpumalanga	622	26 824	-	-
NORTHERN CAPE				
Education	76	3 291		
Health	143	6 183		
Social Development	121	5 217		
Sports, Arts and Culture	26	1 105		
Transport, Safety and Liaison	34	1 481		
Total: Northern Cape	401	17 277	-	-
NORTH WEST				
Community Safety and Transport Management	53	2 273		
Education	106	4 591		
Health	437	18 835		
Social Development	120	5 185		
Total: North West	716	30 884	-	-
WESTERN CAPE				
Community Safety	90	3 863		
Cultural Affairs and Sport	98	4 232		
Education	360	15 527		
Health	235	10 122		
Social Development	123	5 283		
Total: Western Cape	905	39 027	-	-
Unallocated	-	-	-	-
Grand Total	9 610	414 444	-	-

APPENDIX W11

**APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF SCHOOL INFRASTRUCTURE BACKLOGS GRANT: ALLOCATIONS
PER PROVINCE**

(National Financial Years)

APPENDIX W11

APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF SCHOOL INFRASTRUCTURE BACKLOGS GRANT: ALLOCATIONS PER PROVINCE

Basic Education (Vote 16)	School Infrastructure Backlogs Grant		
	National Financial Year		
	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
Province			
Schools Infrastructure Backlogs Grant			
Eastern Cape	1 106 912	979 877	-
Free State	43 388	83 904	-
Gauteng	-	17 569	-
KwaZulu-Natal	581 660	443 869	-
Limpopo	304 689	216 104	-
Mpumalanga	-	162 550	-
Northern Cape	-	4 535	-
North West	-	117 028	-
Western Cape	-	12 236	-
Unallocated	246 915	365 171	2 078 506
Total	2 283 564	2 402 843	2 078 506

APPENDIX W12

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

(National Financial Years)

APPENDIX W12

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

Health (Vote 18) Province /Components	National Health Insurance Indirect Grant		
	National Financial Year		
	2021/22 (R'000)	2022/23 (R'000)	2023/24 (R'000)
National Health Insurance Indirect Grant			
Eastern Cape	398 707	569 904	692 132
Free State	155 026	173 074	182 845
Gauteng	134 365	147 135	119 207
KwaZulu-Natal	68 209	78 296	79 052
Limpopo	375 086	533 231	668 364
Mpumalanga	284 682	288 091	309 702
Northern Cape	68 209	78 295	79 052
North West	236 789	267 429	263 350
Western Cape	68 209	78 295	79 052
Unallocated	328 423	327 380	330 543
Total	2 117 705	2 541 130	2 803 299
<i>of which:</i>			
Health Facility Revitalisation Component			
Eastern Cape	330 498	491 608	613 080
Free State	86 817	94 778	103 793
Gauteng	66 156	68 839	40 155
KwaZulu-Natal	-	-	-
Limpopo	306 877	454 936	589 312
Mpumalanga	216 472	209 796	230 650
Northern Cape	-	-	-
North West	168 580	189 134	184 298
Western Cape	-	-	-
Unallocated	-	-	-
Total	1 175 400	1 509 091	1 761 288
Personal Services Component			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated	328 423	327 380	330 543
Total	328 423	327 380	330 543
Non-Personal Services Component			
Eastern Cape	68 209	78 296	79 052
Free State	68 209	78 296	79 052
Gauteng	68 209	78 296	79 052
KwaZulu-Natal	68 209	78 296	79 052
Limpopo	68 209	78 295	79 052
Mpumalanga	68 210	78 295	79 052
Northern Cape	68 209	78 295	79 052
North West	68 209	78 295	79 052
Western Cape	68 209	78 295	79 052
Unallocated	-	-	-
Total	613 882	704 659	711 468

