

REPUBLIC OF SOUTH AFRICA

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# DIVISION OF REVENUE BILL

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*(As introduced in the National Assembly (proposed section 76); explanatory summary of Bill and prior notice of its introduction published in Government Gazette No. 50099 of 8 February 2024)  
(The English text is the official text of the Bill)*

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(MINISTER OF FINANCE)

[B 4—2024]

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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 2024/25 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,

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

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**CHAPTER 1**  
**INTERPRETATION AND OBJECTS OF ACT**

**Interpretation**

1. (1) In this Act, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Public Finance Management Act or the Municipal Finance Management Act has the meaning assigned to it in the Act in question, and—
- “**accreditation**” means accreditation of a municipality, in terms of section 10(2) of the Housing Act, 1997 (Act No. 107 of 1997), to administer national housing programmes, read with Part 3 of the National Housing Code, 2009 (Financial Interventions: Accreditation of Municipalities);
- “**allocation**” means the equitable share allocation to the national sphere of government in Schedule 1, a province in Schedule 2 or a municipality in Schedule 3, or a conditional allocation;
- “**category A, B or C municipality**” means a category A, B or C municipality envisaged in section 155(1) of the Constitution;
- “**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 section 2 of 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;
- “**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 Finance Management Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- “**Municipal Structures Act**” means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);
- “**Municipal Systems Act**” means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);
- “**Neighbourhood Development Partnership Grant**” means the Neighbourhood Development Partnership Grant referred to in Part B of Schedule 5 or Part B of Schedule 6;

- “**organ of state**” means an organ of state as defined in section 239 of the Constitution;
- “**overpayment**” means the transfer of more than the allocated amount of an allocation or the transfer of an allocation in excess of the applicable amount in a payment schedule;
- “**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; 5
  - (b) the date on which each transfer must be paid; and
  - (c) to whom, and to which bank account, each transfer must be paid;
- “**prescribe**” means prescribe by regulation in terms of section 36;
- “**primary bank account**”, in relation to— 10
- (a) a province, means a bank account of the Provincial Revenue Fund, envisaged in section 21(2) of the Public Finance Management Act and which the accounting officer of the provincial treasury has certified to the National Treasury; or
  - (b) a municipality, means the bank account of the municipality as determined in terms of section 8 of the Municipal Finance Management Act; 15
- “**Provincial Roads Maintenance Grant**” means the Provincial Roads Maintenance Grant referred to in Part A of Schedule 4;
- “**Public Finance Management Act**” means the Public Finance Management Act, 1999 (Act No. 1 of 1999); 20
- “**Public Transport Network Grant**” means the Public Transport Network Grant referred to in Part B of Schedule 5;
- “**Public Transport Operations Grant**” means the Public Transport Operations Grant referred to in Part A of Schedule 4;
- “**quarter**” means, in relation to— 25
- (a) a national or provincial department, the period from—
    - (i) 1 April to 30 June;
    - (ii) 1 July to 30 September;
    - (iii) 1 October to 31 December; or
    - (iv) 1 January to 31 March; or 30
  - (b) a municipality, the period from—
    - (i) 1 July to 30 September;
    - (ii) 1 October to 31 December;
    - (iii) 1 January to 31 March; or
    - (iv) 1 April to 30 June; 35
- “**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 40
  - (b) a Schedule 4, 5 or 7 allocation transferred to a municipality, the accounting officer of the municipality;
- “**receiving provincial department**”, in relation to a Schedule 4, 5 or 7 allocation transferred to a province means the provincial department which receives that allocation or a portion thereof for expenditure through an appropriation from its Provincial Revenue Fund; 45
- “**School Infrastructure Backlogs Grant**” means the School Infrastructure Backlogs Grant referred to in Part A of Schedule 6;
- “**this Act**” includes any framework or allocation published, or any regulation made, in terms of this Act; 50
- “**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 55
- “**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; 5
    - (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; 10
  - (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. 15

## CHAPTER 2 20

### EQUITABLE SHARE ALLOCATIONS

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

3. (1) Revenue raised nationally in respect of the 2024/25 financial year must be divided among the national, provincial and local spheres of government as set out in Column A of Schedule 1. 25
- (2) The envisaged division among the national, provincial and local spheres of government of revenue anticipated to be raised nationally in respect of the 2025/26 financial year and the 2026/27 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 30

4. (1) Each province's equitable share of the provincial share of revenue raised nationally in respect of the 2024/25 financial year is set out in Column A of Schedule 2.
- (2) The envisaged equitable share for each province from the provincial share of revenue anticipated to be raised nationally in respect of the 2025/26 financial year and the 2026/27 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. 35
- (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 40

5. (1) Each municipality's equitable share of local government's share of revenue raised nationally in respect of the 2024/25 financial year is set out in Column A of Schedule 3.
- (2) The envisaged equitable share for each municipality from local government's share of revenue anticipated to be raised nationally in respect of the 2025/26 financial year and the 2026/27 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. 45
- (3) The national department responsible for local government must, unless otherwise determined by the National Treasury, transfer a municipality's equitable share referred to in subsection (1) to the primary bank account of the municipality in three transfers on 3 July 2024, 4 December 2024 and 12 March 2025, in the amounts determined in terms of section 22(2). 50

### Shortfalls, excess revenue and increasing equitable share

6. (1) If the actual revenue raised nationally in respect of the 2024/25 financial year falls short of the anticipated revenue set out in Column A of Schedule 1, the national government bears the shortfall.
- (2) If the actual revenue raised nationally in respect of the 2024/25 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) Further allocations may be made from the excess revenue envisaged in subsection (2), in accordance with the applicable legislation envisaged in section 12 of the Money Bills and Related Matters Act, 2009 (Act No. 9 of 2009), to—
- (a) national departments;
  - (b) provinces; or
  - (c) municipalities.
- (4) (a) If any expenditure from contingencies is approved in terms of the Appropriation Act, 2024, to increase the equitable share of provinces or municipalities, the National Treasury must increase the equitable share per province or per municipality by notice in the *Gazette*.
- (b) The increase referred to in paragraph (a) takes effect on the date of publication in the *Gazette*.
- (c) Section 22 of this Act applies with the necessary changes in relation to the increase referred to in paragraph (a).

## CHAPTER 3

### CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

#### Part 1

#### Conditional allocations

#### Conditional allocations to provinces

7. (1) Conditional allocations to provinces for the 2024/25 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;
  - (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, which may be released to provinces to fund an immediate response to a classified disaster.
- (2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the 2025/26 financial year and the 2026/27 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 Member of the Executive Council responsible for finance in a province may pledge a conditional allocation or an envisaged conditional allocation, or a portion thereof, as security for any borrowing in terms of the Borrowing Powers of Provincial Governments Act, 1996 (Act No. 48 of 1996), in accordance with this subsection.
- (b) If a Member of the Executive Council responsible for finance in a province intends to pledge as envisaged in paragraph (a), he or she must—
- (i) consult the relevant transferring officer; and
  - (ii) obtain the approval of the Loan Co-ordinating Committee, referred to in section 2 of the Borrowing Powers of Provincial Governments Act, 1996.
- (c) The pledging envisaged in paragraph (a) must comply with any conditions imposed by the Loan Co-ordinating Committee.
- (d) The relevant receiving officer 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 an envisaged conditional allocation, or a portion thereof, as security as envisaged in paragraph (a).



(4) (a) If any expenditure from contingencies is approved in terms of the Appropriation Act, 2024, to increase any conditional allocation to provinces, the National Treasury must increase the allocation per province by notice in the *Gazette*.

(b) The increase referred to in paragraph (a) takes effect on the date of publication in the *Gazette*. 5

(c) If a conditional allocation in Part A of Schedule 5 or 6 is increased in terms of paragraph (a), the National Treasury must amend the notice published in terms of section 15 by notice in the *Gazette*.

(d) Section 23 of this Act applies with the necessary changes in relation to the increase referred to in paragraph (a). 10

### **Conditional allocations to municipalities**

8. (1) Conditional allocations to municipalities in respect of the 2024/25 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; 15

(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. 20

(2) An envisaged division of conditional allocations to municipalities from the national government's share of revenue anticipated to be raised nationally for the 2025/26 financial year and the 2026/27 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). 25

(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. 30

(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). 35

(4) (a) If any expenditure from contingencies is approved in terms of the Appropriation Act, 2024, to increase any conditional allocation to municipalities, the National Treasury must increase the allocation per municipality by notice in the *Gazette*. 40

(b) The increase referred to in paragraph (a) takes effect on the date of publication in the *Gazette*.

(c) If a conditional allocation in Part B of Schedule 5 or 6 is increased in terms of paragraph (a), the National Treasury must amend the notice published in terms of section 15 by notice in the *Gazette*. 45

(d) Section 23 of this Act applies with the necessary changes in relation to the increase referred to in paragraph (a).

## **Part 2**

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

9. (1) The transferring officer of a Schedule 4 allocation must— 50

(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

(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; 55

(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;

- (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;
  - (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 2024/25 financial year applicable to a provincial department or a municipality, as the case may be.
- (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—
- (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
  - (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, which contributes to achieving the purpose of the allocation, and the accounting officer must comply with the duty.

#### **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) monitor financial and non-financial performance information on programmes funded by the allocation;
  - (b) 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
    - (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;
  - (c) 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;
    - (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
  - (d) comply with the applicable framework.
- (2) The transferring officer must submit all relevant information and documentation referred to in subsection (1)(b) 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, which instruction may include transferring the allocation as an unconditional allocation.
- (4) Before making the first transfer of any allocation in terms of subsection (1)(c), the transferring officer must ensure that the banking details of the relevant province or municipality are as contained in the notice issued by the National Treasury in terms of section 30(1).

(5) (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 2024/25 financial year up to the end of that month, on— 5

- (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; 10
- (iii) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 allocation;
- (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 15
- (vi) such other matters as the National Treasury may determine.

(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. 20

(6) 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 25
- (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.

(7) 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 2024/25 financial year applicable to a provincial department or a municipality, as the case may be. 30

(8) 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). 35

(9) A framework may impose a duty on the accounting officer of a national or provincial department, other than the transferring officer or receiving officer, which contributes to achieving the purpose of the allocation and the accounting officer must comply with the duty. 40

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

**11.** (1) The receiving officer of a Schedule 4 allocation is responsible for—

- (a) complying with the applicable framework; and
- (b) the manner in which the allocation received from a transferring officer is allocated and spent. 45

(2) The receiving officer of a municipality must—

- (a) ensure and certify to the National Treasury that the municipality—
  - (i) indicates each programme partially or fully funded by a Schedule 4 allocation in its annual budget and that the allocation is specifically and exclusively appropriated in that budget for utilisation only according to the purpose of the allocation; and 50
  - (ii) makes public, in terms of section 21A of the Municipal Systems Act, the conditions and other information in respect of the allocation, to facilitate performance measurement and the use of required inputs and outputs;
- (b) when submitting the municipality's statements in terms of section 71 of the Municipal Finance Management Act for September 2024, December 2024, March 2025 and June 2025, report to the transferring officer, the relevant provincial treasury and the National Treasury—
  - (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 60

- (ii) in respect of any other Schedule 4 allocation, on financial performance of programmes partially or fully funded by the allocation; and
- (c) within 30 days after the end of each quarter, report to the transferring officer and the National Treasury—
  - (i) in respect of the Urban Settlements Development Grant, on non-financial performance for that quarter against the measures defined in its service delivery and budget implementation plan; and
  - (ii) in respect of any other Schedule 4 allocation, on non-financial performance of programmes partially or fully funded by the allocation.
- (3) The National Treasury must make the report submitted to it in terms of subsection (2)(b) or (c) available to the transferring officer of the Urban Settlements Development Grant, Public Transport Network Grant and Integrated National Electrification Programme Grant and the accounting officer of any other national department having responsibilities relating to the applicable allocation.
- (4) The receiving officer of a provincial department must submit to the relevant provincial treasury and the transferring officer—
  - (a) as part of the report required in section 40(4)(c) of the Public Finance Management Act, reports on financial and non-financial performance of programmes partially or fully funded by a Schedule 4 allocation;
  - (b) a quarterly non-financial performance report of programmes partially or fully funded by a Schedule 4 allocation within 30 days after the end of each quarter; and
  - (c) a monthly provincial report on infrastructure programmes partially or fully funded by a Schedule 4 allocation within 15 days after the end of each month, in the format determined by the National Treasury.
- (5) 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.
- (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 2024/25 financial year of the provincial department; and
  - (b) in respect of a municipality, after the end of the 2024/25 financial year of the municipality.

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

12. (1) The receiving officer of a Schedule 5 or 7 allocation must comply with the applicable framework.
- (2) The relevant receiving officer must, in respect of a Schedule 5 or 7 allocation transferred to—
  - (a) a province, as part of the report required within 15 days of the end of each month in terms of 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;
  - (b) a municipality, as part of the report required no later than 10 working days after the end of each month 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.
- (3) A report for a province in terms of subsection (2)(a) must set out for the month in question and for the 2024/25 financial year up to the end of the month—
  - (a) the amount received by the province;
  - (b) the amount of funds withheld or stopped in terms of section 17 or 18, the reason for the stopping or withholding and any remedial action taken;
  - (c) the actual expenditure by the province in respect of Schedules 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;
  - (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;
  - (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
  - (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 2024/25 financial year up to the end of the month—
- (a) the amount received by the municipality;
  - (b) the amount of funds withheld or stopped 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;
  - (e) any matter or information that may be determined in the framework for the allocation; and
  - (f) such other matters and information as the National Treasury may determine.
- (5) The receiving officer must evaluate the financial and non-financial performance of the provincial department or municipality, as the case may be, in respect of programmes partially or fully funded by a Schedule 5 allocation and submit such evaluation to the transferring officer and the relevant provincial treasury within two months after the end of the 2024/25 financial year applicable to a provincial department or a municipality, as the case may be.
- (6) (a) The receiving officer of the Human Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant: Provinces must, in consultation with the transferring officer and after consultation with each affected municipality, publish in the *Gazette*, within 14 working days after this Act takes effect, the planned expenditure from the Human Settlements Development Grant and Informal Settlements Upgrading Partnership Grant: Provinces, for the 2024/25 financial year, the 2025/26 financial year and the 2026/27 financial year per municipality with level one or level two accreditation.
- (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 2024/25 financial year.
  - (c) The receiving officer of the Human Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant: Provinces may, by notice in the *Gazette*, after taking into account the performance of the municipality and after consultation with the affected municipality and in consultation with the transferring officer, amend the planned expenditure for that municipality published in terms of paragraph (a).

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

13. (1) The receiving officer of the Education Infrastructure Grant, Health Facility Revitalisation Grant, Human Settlements Development Grant, Provincial Roads Maintenance Grant and any other conditional allocation partially or fully funding infrastructure must—
- (a) submit to the relevant provincial treasury a list of all infrastructure projects partially or fully funded by the relevant Grant over the medium-term expenditure framework for tabling as part of the estimates of provincial

- expenditure in the provincial legislature in the format determined by the National Treasury;
- (b) within seven days after the tabling in the legislature, submit the list to the transferring officer and the National Treasury;
  - (c) 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; 5
  - (d) within seven days after the tabling in the legislature, submit the amended list to the transferring officer and the National Treasury; 10
  - (e) report, in the format and on the date determined by the National Treasury, to the transferring officer, the 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; 15
  - (g) within 22 days after the end of each month, submit to the transferring officer, the relevant provincial treasury and the National Treasury, a final report on infrastructure programmes partially or fully funded from those Grants; and 20
  - (h) within two months after the end of the 2024/25 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 25
    - (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 report on the filling of posts on the approved establishment for the infrastructure unit of the affected provincial department; and 30
  - (b) ensure that projects comply with infrastructure delivery management best practice standards and guidelines, as identified and approved by the National Treasury. 35

#### **Duties in respect of annual financial statements and annual reports for 2024/25**

- 14.** (1) The 2024/25 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— 40
- (a) indicate the total amount of that allocation transferred to a province or municipality;
  - (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; 45
  - (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;
  - (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 50
  - (f) indicate the funds, if any, used for the administration of the allocation by the receiving officer.
- (2) The 2024/25 annual report of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation, indicate— 55
- (a) the reasons for the withholding or stopping of all transfers to a province or municipality in terms of section 17 or 18;
  - (b) the systems used to monitor compliance with this Act by provinces or municipalities; 60
  - (c) the extent that the allocation achieved its objectives and outputs; and

- (d) any non-compliance with this Act and the steps taken to address the non-compliance.
- (3) The 2024/25 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— 5
- (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 10
    - (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. 15
- (4) The 2024/25 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; 20
  - (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 2024/25 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. 25
- (6) To facilitate the monitoring of performance and the audit of the allocations for the 2024/25 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). 30

### *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*— 35
- (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. 40
- (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, 45
- 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 50 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. 55

- (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—
- (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) and include in the notice, the effective date of the shift.
- (3) A receiving officer may not allocate any portion of a Schedule 4 or 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—
- (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 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 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) Section 21(1) and (2) applies to funds referred to in subsection (3).
- (5) The receiving officer must—
- (a) submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury; and
  - (b) publish by notice in the *Gazette*, the allocations envisaged in subsection (3) before payment is made.
- (6) (a) For purposes of the implementation of a Schedule 6 allocation to a municipality—
- (i) Eskom Holdings Limited may receive funds directly from the transferring officer of the Department of Mineral Resources and Energy; or
  - (ii) 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.
- (b) A transferring officer may withhold the funds allocated in terms of paragraph (a), or any portion thereof, for a period not exceeding 30 days, if—
- (i) Eskom Holdings Limited or the relevant water board does not comply with this Act;
  - (ii) roll-overs of conditional allocations approved by the National Treasury in terms of section 21 have not been spent; or
  - (iii) there is significant under-expenditure on previous transfers during the 2024/25 financial year.
- (c) A transferring officer must, at least seven working days before withholding an allocation in terms of paragraph (b)—
- (i) give Eskom Holdings Limited or the relevant water board—
    - (aa) notice of the intention to withhold the allocation; and
    - (bb) an opportunity to submit written representations as to why the allocation should not be withheld; and
  - (ii) inform the relevant municipality, the National Treasury, the relevant provincial treasury and the provincial department responsible for local government of the withholding.
- (d) A notice envisaged in paragraph (c)(i)(aa) must include the reasons for withholding the allocation and the intended duration of the withholding.
- (e) (i) The National Treasury may instruct, or approve a request from, the transferring officer to withhold an allocation in terms of paragraph (b) for a period of 30 to 120 days, if the withholding shall—



- (aa) facilitate compliance with this Act; or
- (bb) minimise the risk of under-spending by Eskom Holdings Limited or the relevant water board.

(ii) 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 paragraph (c) and any representations received from Eskom Holdings Limited or the relevant water board. 5

(iii) The transferring officer must comply with paragraph (c) when the National Treasury instructs or approves a request by the transferring officer in terms of paragraph (e)(i). 10

(f) Despite paragraph (b), a transferring officer may reallocate funds in terms of section 19(3).

(g) (i) Section 21(1) and (2) applies to funds referred to in paragraph (a).

(ii) Eskom Holdings Limited or the relevant water board must ensure that any funds that must revert to the National Revenue Fund in terms of section 21(1) are paid into that Fund by the date determined by the National Treasury. 15

(iii) Eskom Holdings Limited or the relevant water board must request the roll-over of unspent funds through the relevant transferring officer.

(7) (a) For purposes of the Human Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant: Provinces, 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 2024, must, by the date determined by the National Treasury— 20

- (i) agree on a payment schedule; and 25
- (ii) submit, through the relevant provincial treasury, the payment schedule to the National Treasury.

(b) If a municipality receives accreditation after 1 April 2024, the National Treasury may approve that paragraph (a) applies.

(c) If the transfer of the Human Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant: Provinces 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. 30

(8) 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— 35

- (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; 40
- (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; 45
- (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 2025 and shall not be available in terms of section 30 of the Public Finance Management Act or section 22(2) of this Act; 50
- (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 55
- (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. 60

### 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; 5
  - (b) roll-overs of conditional allocations approved by the National Treasury in terms of section 21 have not been spent; or
  - (c) there is significant under-expenditure on previous transfers during the 2024/25 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. 10
- (3) The amount withheld in terms of this section in the case of the Human Resources and Training 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. 15
- (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; and 20
    - (ii) an opportunity to submit written representations as to why the allocation should not be withheld; and
  - (b) inform the relevant provincial treasury and the National Treasury, and in respect of any conditional allocation to a municipality, also the provincial department responsible for local government of the withholding. 25
- (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 of 30 to 120 days, if the withholding shall— 30
- (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. 35
- (c) The transferring officer must comply with subsection (4) when the National Treasury instructs or approves a request by the transferring officer in terms of paragraph (a). 40

### 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— 45
    - (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 50
      - (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 2024/25 financial year; or 55
  - (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) A request by a transferring officer or a receiving officer to stop the transfer of a Schedule 4 or 5 allocation, or a portion thereof to a province or municipality in terms of section 18(1)(a) or (b) must, in the case of—
- (a) a province, be submitted to the National Treasury by 30 December 2024; and
  - (b) a municipality, be submitted to the National Treasury by 31 January 2025. 5
- (3) 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), with the necessary changes; and
  - (b) inform the relevant transferring officer and provincial treasury of its intention 10 to stop the allocation.
- (4) 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.
- (5) The National Treasury must give notice in the *Gazette* of the stopping of an allocation or a portion thereof in terms of this section, and include in the notice, the effective date of and reason for the stopping. 15
- (6) (a) If—
- (i) an allocation, or any portion thereof, is stopped in terms of subsection (1)(a) or (b); and 20
  - (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. 25
- (b) The utilisation of funds envisaged in this subsection is a direct charge against the National Revenue Fund.

### Reallocation of funds

- 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 2024/25 financial year. 30 35
- (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 2024/25 financial year. 40
- (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. 45
- (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. 50
- (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. 55
- (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 be spent by the end of the 2024/25 financial year.

- (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—
- (i) give notice in the *Gazette* of a reallocation in terms of subsection (1), (2) or (3); 5  
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 2024/25 financial year is eligible for a roll-over in terms of section 21(2). 10
- (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—
- (i) section 100 of the Constitution, the transferring officer to spend an allocation 15  
stopped in terms of section 18 of this Act 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 of this Act on behalf of the relevant municipality; or
  - (iii) section 150 of the Municipal Finance Management Act, the relevant transferring 20  
officer to spend an allocation stopped in terms of section 18 of this Act 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. 25
- (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. 30
- (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. 35
- (c) The reallocated funds must be used in the 2024/25 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. 40
- (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 and provincial treasury, convert any portion of— 45
- (a) an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5; 50
  - (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, District Health Programmes Grant, Human Resources and Training Grant or the National Health Insurance Grant 55  
listed in Part A of Schedule 5.
- (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 60  
delivery in respect of the allocation in question;

- (b) the affected national or provincial department 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 5
  - (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. 10
- (4) (a) Any portion of an allocation, except the School Infrastructure Backlogs Grant, converted in terms of subsection (1), (2) or (3) must— 15
- (i) be used for the same province or municipality to which the allocation was originally made; and
  - (ii) if—
    - (aa) possible, be used to implement the same project or projects that were planned if the allocation had not been converted; or 20
    - (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—
- (i) for the same province to which the allocation was originally made; and 25
  - (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 30
  - (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 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— 35
- (a) the Provincial Disaster Response Grant listed in Part A of Schedule 7 to the Municipal Disaster Response Grant listed in Part B of Schedule 7; or
  - (b) the Municipal Disaster Response Grant listed in Part B of Schedule 7 to the Provincial Disaster Response Grant listed in Part A of Schedule 7. 40
- (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 45
  - (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 2024/25 financial year reverts to the National Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2). 50
- (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 2025/26 financial year if the unspent funds are committed to identifiable projects. 55
- (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. 60

- (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
  - (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—
- (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.
- (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

#### 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.
- (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—
- (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 future transfers to the province, which would otherwise become due in terms of the payment schedule.
- (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, unless it is amended in terms of paragraph (e).
- (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—
- (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
  - (iii) on such conditions as the National Treasury may determine.
- (d) Any advance in terms of paragraph (c) must be offset against future transfers to the municipality, which would otherwise become due in terms of section 5(3).
- (e) The equitable share amount envisaged in paragraph (a) may be amended if the transfer of funds is stopped in terms of section 216(2) of the Constitution, read with sections 38 and 39 of the Municipal Finance Management Act, or offset in terms of section 21(4)(a)(ii) of this Act.
- (3) (a) Subject to section 27(1), the National Treasury must, within 14 days after this Act takes effect, approve the payment schedule for the transfer of an allocation listed in Schedule 4 or 5 to a province or municipality.
- (b) The transferring 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) 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.

### **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.
- (b) No transfers may be made until the National Treasury has approved the amended payment schedule.
- (2) For purposes of—
- (a) better management of debt and cash-flow; or
  - (b) addressing financial mismanagement, 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—
    - (i) an allocation to a province, its provincial treasury;
    - (ii) an allocation to a municipality, the national department responsible for local government; and
    - (iii) 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
  - (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

**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. 5

(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).

(3) The National Treasury may instruct that the recovery referred to in subsection (2) be set off against future transfers to the affected province, municipality or public entity in terms of a payment schedule. 10

### 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— 15

(a) amend any allocation or framework published in terms of section 15;

(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. 20

(2) Section 15(2) to (5) applies, with the necessary changes, to allocations and frameworks published in terms of subsection (1).

(3) (a) The transferring officer may, with the approval of the National Treasury, make one or more transfers of a Schedule 7 allocation to a province or municipality for a classified disaster, within 100 days after the date of the classification of the disaster. 25

(b) The transferring officer must notify, in writing, the relevant provincial treasury and the National Treasury within five 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. 30

(d) The transferring officer, after consultation with the National Treasury, must determine the period in the financial year within which funds transferred in terms of paragraph (a) must be spent.

(e) The transferring officer may, after consultation with the National Treasury, amend the period referred to in paragraph (d), provided that it ends in the financial year. 35

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

### Preparations for 2025/26 financial year and 2026/27 financial year 40

**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 2025/26 financial year and the 2026/27 financial year as set out in Column B of the Schedules to this Act, by 13 September 2024—

(i) agree with each category B municipality within the category C municipality's area of jurisdiction on the provisional allocations and the projects to be funded from those allocations in the 2025/26 financial year and the 2026/27 financial year; and 45

(ii) submit to the transferring officer—

(aa) the provisional allocations referred to in subparagraph (i); and 50

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

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

(c) The transferring officer must take all necessary steps to facilitate agreement as soon as possible, but no later than 60 days after receiving a request referred to in paragraph (b). 55



(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).

(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 2024, 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.

(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 2 December 2024.

(ii) If the transferring officer fails to submit the allocations referred to in subparagraph (i) by 2 December 2024, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the 2025/26 financial year.

(2) (a) The transferring officer of a conditional allocation, using the indicative conditional allocations for the 2025/26 financial year and the 2026/27 financial year, as set out in Column B of the affected Schedules to this Act, must, by 1 October 2024, 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 2025/26 financial year;
- (ii) any amendments to the indicative allocations for each province or municipality set out in Column B of the affected Schedules in respect of existing conditional allocations;
- (iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii); 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 on a duty assigned to that accounting officer in the draft framework before submission to the National Treasury in terms of paragraph (a).

(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 2025/26 financial year of the allocation criteria of an existing conditional allocation before the submission of the provisional allocations and draft frameworks.

(e) The transferring officer must, under his or her signature, submit to the National Treasury, by 2 December 2024, the final allocations and frameworks based on the provisional allocations and frameworks.

(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 2025/26 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.

(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.

(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 2025/26 financial year.

(4) (a) For purposes of the Education Infrastructure Grant or Health Facility Revitalisation Grant in the 2025/26 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—

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

- (ii) an infrastructure programme management plan, including an infrastructure 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. 5
- (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 2024/25 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. 10
- (5) (a) Any category B municipality may apply to qualify for the Integrated Urban Development Grant, referred to in Part B of Schedule 5, by submitting an application to the Department of Cooperative Governance by 31 July 2024.
- (b) The Department of Cooperative Governance must determine the form of the application, including the minimum qualifying conditions. 15
- (c) The Department of Cooperative Governance must submit, by 1 October 2024, 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. 20
- (d) A municipality that is informed by the Department of Cooperative Governance that it has qualified for the Integrated Urban Development Grant, must submit to the Department of Cooperative Governance—
- (i) by 31 March 2025, a first draft of its three-year capital programme and the 10-year Capital Expenditure Framework; and 25
- (ii) by 30 May 2025, 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.
- (6) (a) A provincial treasury must, in respect of the 2025/26 financial year— 30
- (i) on the same date that its budget for the 2025/26 financial year is tabled in the provincial legislature; or
- (ii) on a date not later than 13 June 2025 approved by the National Treasury, publish a notice in the *Gazette* containing the information set out in section 29(2)(a).
- (b) This subsection continues in force until 13 June 2025. 35

### **Transfers before commencement of Division of Revenue Act for 2025/26 financial year**

27. (1) Despite the Division of Revenue Act for the 2025/26 financial year not having commenced on 1 April 2025, the National Treasury may determine that an amount, not exceeding 45 per cent of the total amount of each— 40
- (a) equitable share in terms of section 4(1), be transferred to the relevant province;
- (b) equitable share in terms of section 5(1), be transferred to the relevant municipality; and
- (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. 45
- (2) An amount transferred in terms of subsection (1)(c) is, with the necessary changes, subject to the applicable framework for the 2024/25 financial year and the other requirements of this Act, as if it is an amount of an allocation for the 2024/25 financial year. 50

## **CHAPTER 5**

### **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 55

tabled in accordance with section 16 of the Municipal Finance Management Act, for the 2024/25 financial year, the 2025/26 financial year and the 2026/27 financial year, except if submitted in terms of any other legislation before the end of the 10-day period.

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

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

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

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

(b) a service delivery agreement for the provision of services by the category B municipality on behalf of the category C municipality not being concluded. 20

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

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

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

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

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

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

(i) make allocations referred to in subsection (1)(b); 40

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

(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; 45

(ii) in the case of withholding an allocation, section 17(4)(a), with the necessary changes; and

(iii) in the case of stopping an allocation, section 18(3)(a), (4), (5) and (6), 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 2024/25 financial year. 50

(7) A municipality must ensure that any allocation made to it in terms of this Act, or by a province or another municipality, which 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. 55

### **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. 60

- (2) (a) A provincial treasury must not later than seven working days after this Act takes effect, publish by notice in the *Gazette*—
- (i) the indicative allocation per municipality for every allocation to be made by the province to municipalities from the province's own funds and from conditional allocations to the province; 5
  - (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; 10
  - (iv) the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the 2025/26 financial year and the 2026/27 financial year; and
  - (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. 15
- (b) The allocations referred to in paragraph (a) must be regarded as final when the provincial appropriation Act takes effect or, if published on a later date, on the date of publication of the notice. 20
- (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 working days after the appropriation Act takes effect, and those allocations and budget must be regarded as final.
- (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. 25
- (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).
- (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 3 February 2025 or such later date as approved by the National Treasury and takes effect on the date of publication. 30
- (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— 35
- (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. 40
- (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); 45
  - (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. 50
- (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.
- (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. 55
- (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. 60

- (8) On receipt of a request in terms of subsection (7), the National Treasury must—
- (a) consult the transferring officer on the matter;
  - (b) investigate the matter, assess any reasons given by the provincial treasury as to why the transfer was not made;
  - (c) direct the provincial treasury to immediately effect the transfer or provide reasons to the receiving officer, confirming why the provincial treasury was correct in not making the transfer; and
  - (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** 10

**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.

(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—

- (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** 25

**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—

- (a) comply with section 41 of the Constitution and Chapter 4 of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005); and
- (b) if it decides to institute judicial proceedings against another organ of state, within 10 working days of its decision, notify the National Treasury, the relevant provincial treasury, the Department of Cooperative Governance and the Auditor-General, of the details of compliance with Chapter 4 of the Intergovernmental Relations Framework Act, 2005, including an explanation of the failure to resolve the dispute.

(2) If an organ of state does not comply with subsection (1), the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful.

(3) The amount of any such fruitless and wasteful expenditure incurred in terms of subsection (2) must be recovered or written off in terms of the applicable procedures in the Public Finance Management Act or the Municipal Finance Management Act.

#### **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 and must be dealt with in terms of the Municipal Finance Management Act, except if it is unauthorised expenditure in terms of the Municipal Finance Management Act.

#### **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).

### 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.
- (2) A delegation or assignment in terms of subsection (1) to an official of the National Treasury—
- (a) is subject to any limitations or conditions that the Minister may impose;
  - (b) may authorise that official to sub-delegate, in writing, the delegated power or assigned duty, to any other official of the National Treasury; and
  - (c) does not divest the National Treasury of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty.
- (3) The Minister may vary or revoke any decision taken by an official as a result of a delegation or assignment, subject to any rights that may have vested as a consequence of the decision.
- (4) A 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.
- (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).

### 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 department, 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) any matter 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.

### Repeal of laws and savings

- 37.** (1) Subject to subsection (2)—
- (a) the Division of Revenue Act, 2023 (Act No. 5 of 2023), except sections 15 and 25, is hereby repealed;
  - (b) sections 15 and 25 of the Division of Revenue Act, 2023, are hereby repealed with effect from 1 July 2024 or the date that this Act takes effect, whichever is the later date; and
  - (c) the Division of Revenue Amendment Act, 2023 (Act No. 15 of 2023), 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 2024/25 financial year; and
  - (b) any obligation in terms of any provision of an Act, referred to in subsection (1), the execution of which is outstanding.

(3) Any framework published in terms of section 15 of the Division of Revenue Act, 2023, as amended in terms of section 15 or 25 of that Act, applies to funds of a conditional allocation approved for roll-over in terms of section 21(2) of that Act if that conditional allocation does not continue to exist in terms of this Act.

**Short title and commencement**

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**38.** This Act is called the Division of Revenue Act, 2024, and takes effect on 1 April 2024 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	
	2024/25	Forward Estimates	
		2025/26	2026/27
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
National <sup>1,2</sup>	1 434 313 321	1 522 047 226	1 606 856 491
Provincial	600 475 640	627 441 853	655 704 215
Local	101 177 734	106 087 022	110 661 361
<b>TOTAL</b>	<b>2 135 966 695</b>	<b>2 255 576 101</b>	<b>2 373 222 067</b>

- 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*
- 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	
	2024/25	Forward Estimates	
		2025/26	2026/27
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Eastern Cape	78 093 492	81 550 032	84 494 979
Free State	33 090 807	34 582 024	36 187 895
Gauteng	127 992 244	133 770 871	139 994 304
KwaZulu-Natal	121 145 053	126 359 814	131 972 012
Limpopo	69 624 859	72 925 123	76 481 608
Mpumalanga	49 499 498	51 738 590	54 149 998
Northern Cape	16 142 917	16 905 233	17 726 629
North West	42 815 602	44 881 770	47 108 870
Western Cape	62 071 168	64 728 396	67 587 920
<b>TOTAL</b>	<b>600 475 640</b>	<b>627 441 853</b>	<b>655 704 215</b>



## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
<b>EASTERN CAPE</b>				
A	BUF Buffalo City	1 218 324	1 298 635	1 381 886
A	NMA Nelson Mandela Bay	1 523 361	1 643 573	1 775 087
B	EC101 Dr Beyers Naude	121 571	126 403	130 353
B	EC102 Blue Crane Route	71 200	73 285	74 582
B	EC104 Makana	129 656	134 913	139 266
B	EC105 Ndlambe	136 636	141 940	146 192
B	EC106 Sundays River Valley	117 539	122 707	127 204
B	EC108 Kouga	192 664	203 746	214 723
B	EC109 Kou-Kamma	69 003	71 946	74 473
C	DC10 Sarah Baartman District Municipality	111 120	112 927	113 947
<b>Total: Sarah Baartman Municipalities</b>		<b>949 389</b>	<b>987 867</b>	<b>1 020 740</b>
B	EC121 Mbhashe	327 167	323 549	310 893
B	EC122 Mquma	340 893	337 059	323 777
B	EC123 Great Kei	55 432	54 983	53 118
B	EC124 Amahlathi	138 370	136 786	131 397
B	EC126 Ngqushwa	108 015	106 822	102 691
B	EC129 Raymond Mhlaba	226 658	223 845	214 676
C	DC12 Amathole District Municipality	1 140 317	1 204 982	1 275 672
<b>Total: Amathole Municipalities</b>		<b>2 336 852</b>	<b>2 388 026</b>	<b>2 412 224</b>
B	EC131 Inxuba Yethemba	57 496	58 990	59 735
B	EC135 Intsika Yethu	208 343	206 051	198 032
B	EC136 Emalahleni	161 888	159 967	153 560
B	EC137 Dr. A.B. Xuma	194 093	191 982	184 555
B	EC138 Sakhisizwe	88 876	88 002	84 760
B	EC139 Enoch Mgijima	243 341	244 771	240 940
C	DC13 Chris Hani District Municipality	736 966	778 541	821 440
<b>Total: Chris Hani Municipalities</b>		<b>1 691 003</b>	<b>1 728 304</b>	<b>1 743 022</b>
B	EC141 Elundini	200 668	199 337	192 820
B	EC142 Senqu	196 724	195 162	188 420
B	EC145 Walter Sisulu	80 712	82 802	83 825
C	DC14 Joe Gqabi District Municipality	377 427	398 021	418 930
<b>Total: Joe Gqabi Municipalities</b>		<b>855 531</b>	<b>875 322</b>	<b>883 995</b>
B	EC153 Ngquza Hill	346 720	343 108	329 996
B	EC154 Port St Johns	203 985	202 150	194 864
B	EC155 Nyandeni	348 923	345 648	332 948
B	EC156 Mhlontlo	241 156	238 062	228 166
B	EC157 King Sabata Dalindyebo	460 442	464 075	458 103
C	DC15 O.R. Tambo District Municipality	1 193 994	1 263 903	1 336 259
<b>Total: O.R. Tambo Municipalities</b>		<b>2 795 220</b>	<b>2 856 946</b>	<b>2 880 336</b>
B	EC441 Matatiele	320 321	317 882	307 006
B	EC442 Umzimvubu	289 930	286 840	275 791
B	EC443 Winnie Madikizela-Mandela	359 441	356 151	343 179
B	EC444 Ntabankulu	165 408	163 128	156 149
C	DC44 Alfred Nzo District Municipality	779 701	824 699	870 977
<b>Total: Alfred Nzo Municipalities</b>		<b>1 914 801</b>	<b>1 948 700</b>	<b>1 953 102</b>
<b>Total: Eastern Cape Municipalities</b>		<b>13 284 481</b>	<b>13 727 373</b>	<b>14 050 392</b>

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
<b>FREE STATE</b>				
A	MAN Mangaung	1 113 938	1 201 841	1 298 009
B	FS161 Letsemeng	90 162	93 664	96 485
B	FS162 Kopanong	117 449	121 954	125 540
B	FS163 Mohokare	99 365	102 401	104 370
C	DC16 Xhariep District Municipality	52 396	52 664	52 231
<b>Total: Xhariep Municipalities</b>		<b>359 372</b>	<b>370 683</b>	<b>378 626</b>
B	FS181 Masilonyana	168 168	172 975	175 816
B	FS182 Tokologo	79 467	81 546	82 648
B	FS183 Tswelopele	102 959	105 664	107 094
B	FS184 Matjhabeng	733 077	777 846	822 985
B	FS185 Nala	163 318	168 522	172 029
C	DC18 Lejweleputswa District Municipality	153 059	155 598	157 072
<b>Total: Lejweleputswa Municipalities</b>		<b>1 400 048</b>	<b>1 462 151</b>	<b>1 517 644</b>
B	FS191 Setsoto	267 230	276 616	283 533
B	FS192 Dihlabeng	246 088	259 213	271 732
B	FS193 Nketoana	138 783	143 781	147 561
B	FS194 Maluti-a-Phofung	851 701	876 263	890 621
B	FS195 Phumelela	105 892	109 260	111 538
B	FS196 Mantsopa	116 938	120 953	123 872
C	DC19 Thabo Mofutsanyana District Municipality	139 749	140 537	139 508
<b>Total: Thabo Mofutsanyana Municipalities</b>		<b>1 866 381</b>	<b>1 926 623</b>	<b>1 968 365</b>
B	FS201 Moqhaka	298 568	312 620	325 210
B	FS203 Ngwathe	278 095	288 372	296 205
B	FS204 Metsimaholo	295 487	314 063	332 997
B	FS205 Mafube	136 158	140 691	143 887
C	DC20 Fezile Dabi District Municipality	177 399	183 477	190 008
<b>Total: Fezile Dabi Municipalities</b>		<b>1 185 707</b>	<b>1 239 223</b>	<b>1 288 307</b>
<b>Total: Free State Municipalities</b>		<b>5 925 446</b>	<b>6 200 521</b>	<b>6 450 951</b>

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
<b>GAUTENG</b>				
A	EKU City of Ekurhuleni	5 534 652	5 971 405	6 449 217
A	JHB City of Johannesburg	7 571 601	8 169 095	8 822 758
A	TSH City of Tshwane	4 287 120	4 625 428	4 995 539
B	GT421 Emfuleni	1 142 879	1 225 804	1 314 392
B	GT422 Midvaal	172 049	185 364	199 912
B	GT423 Lesedi	217 143	230 183	243 305
C	DC42 Sedibeng District Municipality	309 742	320 017	330 886
<b>Total: Sedibeng Municipalities</b>		<b>1 841 813</b>	<b>1 961 368</b>	<b>2 088 495</b>
B	GT481 Mogale City	647 792	698 911	754 835
B	GT484 Merafong City	305 514	327 280	350 406
B	GT485 Rand West City	466 457	499 207	533 845
C	DC48 West Rand District Municipality	244 123	250 687	256 817
<b>Total: West Rand Municipalities</b>		<b>1 663 886</b>	<b>1 776 085</b>	<b>1 895 903</b>
<b>Total: Gauteng Municipalities</b>		<b>20 899 072</b>	<b>22 503 381</b>	<b>24 251 912</b>

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
<b>KWAZULU-NATAL</b>				
A	ETH eThekweni	4 827 914	5 208 897	5 625 695
B	KZN212 uMdoni	182 950	181 999	176 425
B	KZN213 uMzumbe	171 112	168 548	161 044
B	KZN214 uMuziwabantu	123 326	122 379	118 220
B	KZN216 Ray Nkonyeni	302 729	308 450	309 120
C	DC21 Ugu District Municipality	667 211	704 998	744 121
<b>Total: Ugu Municipalities</b>		<b>1 447 328</b>	<b>1 486 374</b>	<b>1 508 930</b>
B	KZN221 uMshwathi	139 899	140 403	137 846
B	KZN222 uMngeni	105 408	110 647	115 426
B	KZN223 Mpofana	48 961	49 526	49 193
B	KZN224 iMpendle	50 398	50 094	48 551
B	KZN225 Msunduzi	822 072	879 493	940 126
B	KZN226 Mkhambathini	87 712	87 629	85 496
B	KZN227 Richmond	97 995	98 022	95 798
C	DC22 uMgungundlovu District Municipality	749 708	787 450	827 715
<b>Total: uMgungundlovu Municipalities</b>		<b>2 102 153</b>	<b>2 203 264</b>	<b>2 300 151</b>
B	KZN235 Okhahlamba	167 007	165 477	159 481
B	KZN237 iNkosi Langalibalele	245 836	244 341	236 533
B	KZN238 Alfred Duma	325 368	328 087	324 076
C	DC23 uThukela District Municipality	614 024	649 213	685 599
<b>Total: uThukela Municipalities</b>		<b>1 352 235</b>	<b>1 387 118</b>	<b>1 405 689</b>
B	KZN241 eNdumeni	70 647	72 887	74 339
B	KZN242 Nquthu	188 876	186 478	178 773
B	KZN244 uMsinga	232 162	230 293	222 294
B	KZN245 uMvoti	186 113	186 714	183 193
C	DC24 uMzinyathi District Municipality	519 485	549 041	579 441
<b>Total: uMzinyathi Municipalities</b>		<b>1 197 283</b>	<b>1 225 413</b>	<b>1 238 040</b>
B	KZN252 Newcastle	540 119	563 790	584 127
B	KZN253 eMadlangeni	39 936	39 692	38 469
B	KZN254 Dannhauser	120 689	119 066	114 044
C	DC25 Amajuba District Municipality	222 325	231 021	239 622
<b>Total: Amajuba Municipalities</b>		<b>923 069</b>	<b>953 569</b>	<b>976 262</b>

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
B	KZN261 eDumbe	104 192	103 192	99 414
B	KZN262 uPhongolo	192 178	191 306	185 615
B	KZN263 AbaQulusi	215 636	217 209	214 251
B	KZN265 Nongoma	211 260	207 702	197 873
B	KZN266 Ulundi	218 026	213 971	203 295
C	DC26 Zululand District Municipality	670 187	708 723	748 495
<b>Total: Zululand Municipalities</b>		<b>1 611 479</b>	<b>1 642 103</b>	<b>1 648 943</b>
B	KZN271 uMhlabuyalingana	242 421	240 699	232 654
B	KZN272 Jozini	259 516	256 848	247 095
B	KZN275 Mtubatuba	245 141	242 465	233 043
B	KZN276 Big Five Hlabisa	155 064	153 387	147 474
C	DC27 uMkhanyakude District Municipality	620 064	655 524	691 916
<b>Total: uMkhanyakude Municipalities</b>		<b>1 522 206</b>	<b>1 548 923</b>	<b>1 552 182</b>
B	KZN281 uMfolozi	186 274	183 824	176 112
B	KZN282 uMhlathuze	556 251	586 212	614 901
B	KZN284 uMlalazi	253 981	251 316	241 711
B	KZN285 Mthonjaneni	103 227	101 468	96 676
B	KZN286 Nkandla	126 325	124 405	118 837
C	DC28 King Cetshwayo District Municipality	720 633	758 615	799 910
<b>Total: King Cetshwayo Municipalities</b>		<b>1 946 691</b>	<b>2 005 840</b>	<b>2 048 147</b>
B	KZN291 Mandeni	243 588	243 364	237 347
B	KZN292 KwaDukuza	276 746	290 639	303 210
B	KZN293 Ndwedwe	204 167	202 047	194 363
B	KZN294 Maphumulo	119 979	118 778	114 351
C	DC29 iLembe District Municipality	788 188	834 819	883 739
<b>Total: iLembe Municipalities</b>		<b>1 632 668</b>	<b>1 689 647</b>	<b>1 733 010</b>
B	KZN433 Greater Kokstad	85 848	87 738	88 359
B	KZN434 uBuhlebezwe	146 644	145 236	139 891
B	KZN435 uMzimkhulu	259 309	257 466	248 853
B	KZN436 Dr Nkosazana Dlamini Zuma	170 740	169 307	163 360
C	DC43 Harry Gwala District Municipality	491 837	519 538	547 904
<b>Total: Harry Gwala Municipalities</b>		<b>1 154 378</b>	<b>1 179 285</b>	<b>1 188 367</b>
<b>Total: KwaZulu-Natal Municipalities</b>		<b>19 717 404</b>	<b>20 530 433</b>	<b>21 225 416</b>

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
<b>LIMPOPO</b>				
B	LIM331 Greater Giyani	396 848	394 031	380 817
B	LIM332 Greater Letaba	385 877	383 586	371 355
B	LIM333 Greater Tzaneen	551 492	554 078	544 491
B	LIM334 Ba-Phalaborwa	216 586	216 560	211 458
B	LIM335 Maruleng	173 864	172 850	167 399
C	DC33 Mopani District Municipality	1 343 490	1 424 252	1 508 807
<b>Total: Mopani Municipalities</b>		<b>3 068 157</b>	<b>3 145 357</b>	<b>3 184 327</b>
B	LIM341 Musina	229 123	232 462	231 686
B	LIM343 Thulamela	622 657	622 909	608 568
B	LIM344 Makhado	509 837	511 679	502 054
B	LIM345 Collins Chabane	513 239	511 443	496 872
C	DC34 Vhembe District Municipality	1 474 623	1 564 097	1 657 178
<b>Total: Vhembe Municipalities</b>		<b>3 349 479</b>	<b>3 442 590</b>	<b>3 496 358</b>
B	LIM351 Blouberg	246 266	244 154	235 481
B	LIM353 Molemole	187 593	186 040	179 526
B	LIM354 Polokwane	1 407 843	1 481 766	1 551 725
B	LIM355 Lepele-Nkumpi	336 507	332 634	319 397
C	DC35 Capricorn District Municipality	814 002	854 598	896 905
<b>Total: Capricorn Municipalities</b>		<b>2 992 211</b>	<b>3 099 192</b>	<b>3 183 034</b>
B	LIM361 Thabazimbi	145 380	156 118	167 694
B	LIM362 Lephale	241 654	254 298	266 256
B	LIM366 Bela-Bela	137 989	144 215	149 706
B	LIM367 Mogalakwena	609 555	625 166	632 713
B	LIM368 Modimolle-Mookgophong	154 561	161 999	168 752
C	DC36 Waterberg District Municipality	154 761	157 757	159 819
<b>Total: Waterberg Municipalities</b>		<b>1 443 900</b>	<b>1 499 553</b>	<b>1 544 940</b>
B	LIM471 Ephraim Mogale	201 842	200 571	194 104
B	LIM472 Elias Motsoaledi	377 690	374 077	360 220
B	LIM473 Makhuduthamaga	363 154	359 864	346 801
B	LIM476 Fetakgomo Tubatse	617 179	612 972	592 437
C	DC47 Sekhukhune District Municipality	1 139 344	1 206 930	1 277 252
<b>Total: Sekhukhune Municipalities</b>		<b>2 699 209</b>	<b>2 754 414</b>	<b>2 770 814</b>
<b>Total: Limpopo Municipalities</b>		<b>13 552 956</b>	<b>13 941 106</b>	<b>14 179 473</b>

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
<b>MPUMALANGA</b>				
B	MP301 Chief Albert Luthuli	443 317	453 763	458 103
B	MP302 Msukaligwa	270 341	286 331	302 260
B	MP303 Mkhondo	353 262	365 407	374 167
B	MP304 Dr Pixley ka Isaka Seme	167 330	172 277	175 333
B	MP305 Lekwa	179 350	189 946	200 499
B	MP306 Dipaleseng	106 114	109 583	111 990
B	MP307 Govan Mbeki	458 066	494 213	533 758
C	DC30 Gert Sibande District Municipality	333 988	346 103	359 426
<b>Total: Gert Sibande Municipalities</b>		<b>2 311 768</b>	<b>2 417 623</b>	<b>2 515 536</b>
B	MP311 Victor Khanye	149 824	157 125	163 834
B	MP312 Emalahleni	600 014	647 363	699 163
B	MP313 Steve Tshwete	350 175	377 808	408 039
B	MP314 Emakhazeni	92 885	96 754	100 019
B	MP315 Thembisile Hani	592 128	608 296	617 022
B	MP316 Dr JS Moroka	520 563	528 962	528 686
C	DC31 Nkangala District Municipality	409 520	423 808	439 249
<b>Total: Nkangala Municipalities</b>		<b>2 715 109</b>	<b>2 840 116</b>	<b>2 956 012</b>
B	MP321 Thaba Chweu	221 892	234 000	245 720
B	MP324 Nkomazi	837 870	862 483	877 235
B	MP325 Bushbuckridge	1 119 258	1 148 167	1 162 355
B	MP326 City of Mbombela	1 120 727	1 183 180	1 243 875
C	DC32 Ehlanzeni District Municipality	303 325	308 576	311 732
<b>Total: Ehlanzeni Municipalities</b>		<b>3 603 072</b>	<b>3 736 406</b>	<b>3 840 917</b>
<b>Total: Mpumalanga Municipalities</b>		<b>8 629 949</b>	<b>8 994 145</b>	<b>9 312 465</b>

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
<b>NORTHERN CAPE</b>				
B	NC061 Richtersveld	26 627	27 432	27 970
B	NC062 Nama Khoi	67 456	71 010	74 423
B	NC064 Kamiesberg	33 964	34 278	33 978
B	NC065 Hantam	35 954	37 702	39 331
B	NC066 Karoo Hoogland	34 689	35 806	36 594
B	NC067 Khâi-Ma	29 007	29 763	30 179
C	DC6 Namakwa District Municipality	58 871	60 373	61 732
<b>Total: Namakwa Municipalities</b>		<b>286 568</b>	<b>296 364</b>	<b>304 207</b>
B	NC071 Ubuntu	52 389	53 538	53 971
B	NC072 Umsobomvu	73 653	75 731	76 963
B	NC073 Emthanjeni	63 275	65 963	68 271
B	NC074 Kareeberg	37 608	38 093	37 948
B	NC075 Renosterberg	35 956	36 522	36 527
B	NC076 Thembelihle	38 097	38 815	38 978
B	NC077 Siyathemba	48 179	49 592	50 483
B	NC078 Siyancuma	66 107	68 159	69 524
C	DC7 Pixley Ka Seme District Municipality	63 593	63 990	63 583
<b>Total: Pixley Ka Seme Municipalities</b>		<b>478 857</b>	<b>490 403</b>	<b>496 248</b>
B	NC082 !Kai !Garib	127 168	134 625	142 073
B	NC084 !Kheis	36 866	37 464	37 492
B	NC085 Tsantsabane	58 842	61 906	64 830
B	NC086 Kgatelopele	35 236	36 728	38 016
B	NC087 Dawid Kruiper	124 545	132 683	141 157
C	DC8 Z.F. Mgcawu District Municipality	83 266	84 890	86 043
<b>Total: Z.F. Mgcawu Municipalities</b>		<b>465 923</b>	<b>488 296</b>	<b>509 611</b>
B	NC091 Sol Plaatjie	282 104	302 569	324 431
B	NC092 Dikgatlong	123 223	126 236	127 630
B	NC093 Magareng	65 001	66 004	65 953
B	NC094 Phokwane	142 291	145 873	147 613
C	DC9 Frances Baard District Municipality	139 133	143 567	148 192
<b>Total: Frances Baard Municipalities</b>		<b>751 752</b>	<b>784 249</b>	<b>813 819</b>
B	NC451 Joe Morolong	191 089	193 366	192 049
B	NC452 Ga-Segonyana	244 849	250 982	253 900
B	NC453 Gamagara	66 070	71 150	76 699
C	DC45 John Taolo Gaetsewe District Municipality	109 352	112 132	114 453
<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>611 360</b>	<b>627 630</b>	<b>637 101</b>
<b>Total: Northern Cape Municipalities</b>		<b>2 594 460</b>	<b>2 686 942</b>	<b>2 760 986</b>



## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
		2025/26	2026/27	
		R'000	R'000	R'000
<b>NORTH WEST</b>				
B	NW371 Moretele	469 371	477 865	478 895
B	NW372 Madibeng	1 123 765	1 183 885	1 241 275
B	NW373 Rustenburg	1 150 861	1 241 678	1 341 033
B	NW374 Kgetlengrivier	138 118	144 312	149 753
B	NW375 Moses Kotane	600 070	613 320	617 941
C	DC37 Bojanala Platinum District Municipality	407 135	417 302	426 154
<b>Total: Bojanala Platinum Municipalities</b>		<b>3 889 320</b>	<b>4 078 362</b>	<b>4 255 051</b>
B	NW381 Ratlou	168 819	167 896	162 693
B	NW382 Tswaing	159 987	161 108	158 923
B	NW383 Mafikeng	379 249	383 925	381 330
B	NW384 Ditsobotla	184 896	189 068	190 426
B	NW385 Ramotshere Moiloa	244 093	243 361	236 632
C	DC38 Ngaka Modiri Molema District Municipality	1 110 786	1 176 209	1 245 822
<b>Total: Ngaka Modiri Molema Municipalities</b>		<b>2 247 830</b>	<b>2 321 567</b>	<b>2 375 826</b>
B	NW392 Naledi	72 532	74 254	74 957
B	NW393 Mamusa	75 763	76 157	74 962
B	NW394 Greater Taung	257 199	254 523	244 817
B	NW396 Lekwa-Teemane	68 806	69 756	69 486
B	NW397 Kagisano-Molopo	161 140	159 698	153 963
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	507 253	535 249	563 942
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>		<b>1 142 693</b>	<b>1 169 637</b>	<b>1 182 127</b>
B	NW403 City of Matlosana	641 421	683 738	727 597
B	NW404 Maquassi Hills	182 628	188 755	193 092
B	NW405 JB Marks	411 298	439 697	469 577
C	DC40 Dr Kenneth Kaunda District Municipality	218 309	224 759	231 200
<b>Total: Dr Kenneth Kaunda Municipalities</b>		<b>1 453 656</b>	<b>1 536 949</b>	<b>1 621 466</b>
<b>Total: North West Municipalities</b>		<b>8 733 499</b>	<b>9 106 515</b>	<b>9 434 470</b>

## SCHEDULE 3

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

Number	Municipality	National Financial Year		
		Column A	Column B	
		2024/25	Forward Estimates	
2025/26	2026/27			
		R'000	R'000	R'000
<b>WESTERN CAPE</b>				
A	CPT City of Cape Town	4 365 700	4 710 208	5 087 103
B	WC011 Matzikama	81 640	87 581	93 964
B	WC012 Cederberg	71 545	75 872	80 249
B	WC013 Bergrivier	68 086	73 344	79 087
B	WC014 Saldanha Bay	138 465	148 957	160 358
B	WC015 Swartland	153 764	165 898	179 172
C	DC1 West Coast District Municipality	109 608	112 321	114 738
<b>Total: West Coast Municipalities</b>		<b>623 108</b>	<b>663 973</b>	<b>707 568</b>
B	WC022 Witzenberg	145 706	157 204	169 783
B	WC023 Drakenstein	231 574	249 848	269 840
B	WC024 Stellenbosch	215 604	232 617	251 231
B	WC025 Breede Valley	174 394	188 156	203 212
B	WC026 Langeberg	113 734	121 970	130 809
C	DC2 Cape Winelands District Municipality	263 660	273 850	285 342
<b>Total: Cape Winelands Municipalities</b>		<b>1 144 672</b>	<b>1 223 645</b>	<b>1 310 217</b>
B	WC031 Theewaterskloof	140 900	150 354	160 211
B	WC032 Overstrand	168 794	179 596	190 729
B	WC033 Cape Agulhas	43 073	45 901	48 854
B	WC034 Swellendam	46 412	49 522	52 787
C	DC3 Overberg District Municipality	86 644	88 069	88 889
<b>Total: Overberg Municipalities</b>		<b>485 823</b>	<b>513 442</b>	<b>541 470</b>
B	WC041 Kannaland	37 479	38 912	40 067
B	WC042 Hessequa	63 158	67 548	72 214
B	WC043 Mossel Bay	139 609	148 759	158 279
B	WC044 George	230 472	248 659	268 556
B	WC045 Oudtshoorn	102 781	108 365	113 789
B	WC047 Bitou	154 148	161 224	167 516
B	WC048 Knysna	130 575	138 048	145 440
C	DC4 Garden Route District Municipality	182 224	187 789	193 452
<b>Total: Garden Route Municipalities</b>		<b>1 040 446</b>	<b>1 099 304</b>	<b>1 159 313</b>
B	WC051 Laingsburg	22 685	23 224	23 483
B	WC052 Prince Albert	30 299	31 231	31 860
B	WC053 Beaufort West	88 849	92 718	96 074
C	DC5 Central Karoo District Municipality	38 885	38 861	38 208
<b>Total: Central Karoo Municipalities</b>		<b>180 718</b>	<b>186 034</b>	<b>189 625</b>
<b>Total: Western Cape Municipalities</b>		<b>7 840 467</b>	<b>8 396 606</b>	<b>8 995 296</b>
<b>National Total</b>		<b>101 177 734</b>	<b>106 087 022</b>	<b>110 661 361</b>

## SCHEDULE 4, PART A

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

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2024/25	Forward Estimates	2025/26	2026/27
<b>Basic Education (Vote 16)</b>	Education Infrastructure Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation; to address achievement of the targets set out in the minimum norms and standards for school infrastructure; to address damages to infrastructure; to enhance capacity to deliver infrastructure in education.	General conditional allocation to provinces	Eastern Cape	R'000	R'000	R'000	R'000
				Free State	1 848 180	1 833 206	1 833 206	1 922 558
				Gauteng	1 007 305	956 895	956 895	1 003 515
				KwaZulu-Natal	2 296 649	2 274 364	2 274 364	1 862 920
				Limpopo	2 388 318	2 396 108	2 396 108	2 512 912
				Mpumalanga	1 503 403	1 473 916	1 473 916	1 545 773
				Northern Cape	1 310 894	1 273 283	1 273 283	1 335 337
				North West	716 303	653 639	653 639	685 481
				Western Cape	1 304 034	1 266 157	1 266 157	1 327 897
				Unallocated	1 306 354	1 268 558	1 268 558	1 330 391
					837 580	845 738		
			<b>TOTAL</b>	<b>13 681 440</b>	<b>14 233 706</b>	<b>14 233 706</b>	<b>14 372 522</b>	
<b>Health (Vote 18)</b>	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	1 255 448	1 249 612	1 249 612	1 306 982
				Free State	1 283 719	1 341 428	1 341 428	1 403 011
				Gauteng	5 259 796	5 519 848	5 519 848	5 773 255
				KwaZulu-Natal	2 201 200	2 257 934	2 257 934	2 361 596
				Limpopo	538 981	522 878	522 878	546 888
				Mpumalanga	274 508	275 821	275 821	288 487
				Northern Cape	488 803	477 389	477 389	499 309
				North West	434 394	392 144	392 144	410 150
				Western Cape	3 526 935	3 687 288	3 687 288	3 856 565
				Unallocated	-	194 955	194 955	216 162
			<b>TOTAL</b>	<b>15 263 784</b>	<b>15 919 297</b>	<b>16 662 405</b>	<b>17 278 609</b>	
<b>Transport (Vote 40)</b>	(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	2 089 930	1 746 419	1 746 419	1 573 609
				Free State	1 969 791	1 606 726	1 606 726	1 472 334
				Gauteng	1 271 831	714 671	714 671	748 535
				KwaZulu-Natal	3 152 284	2 588 189	2 588 189	2 455 265
				Limpopo	1 934 494	1 504 948	1 504 948	1 320 696
				Mpumalanga	1 600 241	1 196 024	1 196 024	997 134
				Northern Cape	1 475 843	1 119 177	1 119 177	1 172 208
				North West	1 567 433	1 206 738	1 206 738	1 053 394
				Western Cape	1 610 643	1 009 187	1 009 187	1 057 006
				Unallocated	-	5 190 700	5 190 700	5 428 509
			<b>TOTAL</b>	<b>16 672 490</b>	<b>17 882 779</b>	<b>17 882 779</b>	<b>17 278 690</b>	
<b>Transport (Vote 40)</b>	(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	308 298	322 110	322 110	336 867
				Free State	340 849	356 119	356 119	372 434
				Gauteng	2 978 930	3 112 386	3 112 386	3 254 977
				KwaZulu-Natal	1 428 401	1 492 393	1 492 393	1 560 766
				Limpopo	460 754	481 396	481 396	503 451
				Mpumalanga	775 812	810 568	810 568	847 703
				Northern Cape	69 364	72 472	72 472	75 793
				North West	142 587	148 975	148 975	155 800
				Western Cape	1 230 401	1 285 523	1 285 523	1 344 418
							<b>TOTAL</b>	<b>7 735 396</b>

**SCHEDULE 4, PART B**

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

Vote	Name of allocation	Purpose	City	Column A	Column B	
				2024/25	Forward Estimates	2025/26
<b>Human Settlements (Vote 33)</b>	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'000 535 365	R'000 559 244	R'000 662 652
			City of Cape Town	1 041 825	1 088 295	1 289 526
			City of Ekurhuleni	1 383 500	1 445 207	1 712 433
			City of Johannesburg	1 953 667	2 320 637	1 608 673
			City of Tshwane	1 126 600	1 176 848	1 394 455
			eThekweni	1 498 083	1 441 639	1 708 207
			Mangaung	530 611	554 277	656 766
			Nelson Mandela Bay	635 473	663 817	786 561
			<b>TOTAL</b>	<b>8 705 124</b>	<b>9 249 964</b>	<b>9 819 273</b>

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B				
					2024/25		Forward Estimates				
					R'000	2025/26	R'000	2026/27			
Agriculture, Land Reform and Rural Development (Vote 29)	(a) Comprehensive Agricultural Support Programme Grant	To provide effective and coordinated agricultural support services through collaborations with industry transformation initiatives where possible; to promote and facilitate agricultural development by targeting beneficiaries of land reform 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	261 158	267 657	280 014	280 014			
				Free State	197 896	202 822	212 187	212 187			
				Gauteng	105 365	107 986	112 972	112 972			
				KwaZulu-Natal	313 640	291 096	243 650	243 650			
				Limpopo	247 211	253 364	265 063	265 063			
				Mpumalanga	171 554	175 824	183 942	183 942			
				Northern Cape	127 656	130 833	136 875	136 875			
				North West	192 437	197 227	206 334	206 334			
				Western Cape	124 426	127 524	133 412	133 412			
				<b>TOTAL</b>	<b>1 741 343</b>	<b>1 754 333</b>	<b>1 774 449</b>	<b>1 774 449</b>			
				(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	55 965	84 557	88 447	88 447
							Free State	53 740	81 195	85 031	85 031
							Gauteng	27 540	41 609	45 523	45 523
KwaZulu-Natal	55 389	83 685	87 534				87 534				
Limpopo	55 322	83 584	87 484				87 484				
Mpumalanga	51 773	78 222	81 922				81 922				
Northern Cape	51 771	78 219	81 819				81 819				
North West	53 521	80 863	82 208				82 208				
Western Cape	43 322	65 455	68 455				68 455				
<b>TOTAL</b>	<b>448 343</b>	<b>677 389</b>	<b>708 423</b>				<b>708 423</b>				
(c) LandCare 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				13 470	14 073	14 718	14 718	
			Free State				9 333	9 751	10 198	10 198	
			Gauteng				5 501	5 748	6 011	6 011	
			KwaZulu-Natal	14 127	14 760	15 436	15 436				
			Limpopo	13 674	14 287	14 942	14 942				
			Mpumalanga	9 898	10 341	10 815	10 815				
			Northern Cape	8 207	8 575	8 968	8 968				
			North West	9 449	9 872	10 324	10 324				
			Western Cape	6 546	6 839	7 152	7 152				
			<b>TOTAL</b>	<b>90 205</b>	<b>94 246</b>	<b>98 564</b>	<b>98 564</b>				

**SCHEDULE 5, PART A**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2024/25	R'000	2025/26	R'000
<b>Basic Education (Vote 16)</b>	(a) Early Childhood Development Grant	To increase the number of poor children accessing subsidised early childhood development 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.	General conditional allocation to provinces	Eastern Cape	268 988	316 812	331 324	316 812
				Free State	77 036	92 646	96 891	92 646
				Gauteng	336 388	376 917	394 181	376 917
				KwaZulu-Natal	248 650	291 225	304 566	291 225
				Limpopo	238 002	287 022	300 167	287 022
				Mpumalanga	123 659	147 035	153 772	147 035
				Northern Cape	28 797	34 304	35 875	34 304
				North West	143 198	169 809	177 586	169 809
				Western Cape	124 357	141 394	147 872	141 394
				Unallocated	-	89 092	93 171	89 092
<b>TOTAL</b>	<b>1 589 075</b>	<b>1 946 256</b>	<b>2 035 405</b>	<b>1 946 256</b>				
	(b) 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, educators and school support staff; 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	46 020	48 080	50 279	48 080
				Free State	11 107	11 599	12 126	11 599
				Gauteng	37 036	38 696	40 468	38 696
				KwaZulu-Natal	65 952	68 869	71 977	68 869
				Limpopo	28 087	29 334	30 664	29 334
				Mpumalanga	18 980	19 828	20 736	19 828
				Northern Cape	7 435	7 770	8 126	7 770
				North West	16 202	16 923	17 695	16 923
				Western Cape	18 923	19 761	20 657	19 761
				<b>TOTAL</b>	<b>249 742</b>	<b>260 860</b>	<b>272 728</b>	<b>260 860</b>
	(c) Learners with Profound Intellectual Disabilities Grant	To provide the necessary support, resources and equipment to identified special care centres and schools for the provision of education to children with severe to profound intellectual disabilities.	Conditional allocation	Eastern Cape	30 934	32 305	33 769	32 305
				Free State	32 340	33 776	35 309	33 776
				Gauteng	37 706	39 375	41 157	39 375
				KwaZulu-Natal	36 584	38 201	39 926	38 201
				Limpopo	36 062	37 657	39 357	37 657
				Mpumalanga	32 810	34 263	35 813	34 263
				Northern Cape	16 786	17 535	18 333	17 535
				North West	21 795	22 764	23 798	22 764
				Western Cape	33 930	35 431	37 033	35 431
				<b>TOTAL</b>	<b>278 947</b>	<b>291 307</b>	<b>304 495</b>	<b>291 307</b>
	(d) 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	55 256	57 141	59 756	57 141
				Free State	49 496	51 185	53 528	51 185
				Gauteng	62 348	64 476	67 429	64 476
				KwaZulu-Natal	71 988	74 445	77 854	74 445
				Limpopo	50 827	52 562	54 969	52 562
				Mpumalanga	44 814	46 345	48 468	46 345
				Northern Cape	28 474	29 445	30 797	29 445
				North West	42 594	44 048	46 066	44 048
				Western Cape	38 045	39 344	41 144	39 344
				<b>TOTAL</b>	<b>443 842</b>	<b>458 991</b>	<b>480 011</b>	<b>458 991</b>
	(e) National School Nutrition Programme Grant	To provide nutritious meals to targeted schools.	Conditional allocation	Eastern Cape	1 737 698	1 801 788	1 884 304	1 801 788
				Free State	578 293	584 031	610 788	584 031
				Gauteng	1 154 073	1 196 180	1 250 966	1 196 180
				KwaZulu-Natal	2 187 840	2 298 299	2 403 245	2 298 299
				Limpopo	1 741 094	1 821 195	1 904 585	1 821 195
				Mpumalanga	942 928	968 359	1 012 722	968 359
				Northern Cape	260 461	270 108	282 470	270 108
				North West	664 104	681 625	712 853	681 625
				Western Cape	531 615	543 101	567 967	543 101
				Unallocated	-	149 566	156 418	149 566
<b>TOTAL</b>	<b>9 798 106</b>	<b>10 314 252</b>	<b>10 786 318</b>	<b>10 314 252</b>				

**SCHEDULE 5, PART A**  
**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2024/25		Forward Estimates	
					R'000	2025/26	R'000	2026/27
Health (Vote 18)	(a) District Health Programmes Grant	To enable the health sector to develop and implement an effective response to HIV/AIDS; to enable the health sector to develop and implement an effective response to tuberculosis; 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; 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; to enable the health sector to prevent cervical cancer by making available Human Papillomavirus vaccinations for all eligible girls aged 9-14 years with a single dose of Human Papillomavirus vaccine in all settings.	Conditional allocation	Eastern Cape	3 077 003	3 101 623	3 243 950	
			Free State	1 689 996	1 689 996	1 767 552		
			Gauteng	6 023 568	6 076 397	6 355 250		
			KwaZulu-Natal	7 367 534	7 431 491	7 772 528		
			Limpopo	2 500 738	2 533 462	2 649 780		
			Mpumalanga	2 575 224	2 602 359	2 721 806		
			Northern Cape	747 852	756 090	790 798		
			North West	1 863 030	1 884 165	1 970 656		
			Western Cape	2 132 386	2 152 356	2 251 137		
			<b>TOTAL</b>	<b>27 962 695</b>	<b>28 227 939</b>	<b>29 523 457</b>		
(b) Health Facility Revitalisation Grant	To help to accelerate maintenance, renovations, upgrades, additions, and construction of infrastructure in health; to help on replacement and commissioning of health technology in existing and revitalised health facilities; to enhance capacity to deliver health infrastructure; to accelerate the fulfilment of the requirements of occupational health and safety.	Conditional allocation	Eastern Cape	789 942	699 300	731 482		
		Free State	694 351	599 426	627 015			
		Gauteng	1 143 911	1 069 126	1 118 321			
		KwaZulu-Natal	1 458 192	1 441 233	1 507 542			
		Limpopo	601 321	545 972	571 102			
		Mpumalanga	459 295	397 584	415 887			
		Northern Cape	437 961	451 514	472 298			
		North West	705 561	611 139	639 266			
		Western Cape	861 307	817 606	855 230			
		Unallocated	-	609 760	636 379			
<b>TOTAL</b>	<b>7 151 841</b>	<b>7 242 660</b>	<b>7 574 522</b>					
(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	581 770	581 016	607 747		
		Free State	284 271	288 374	301 642			
		Gauteng	1 875 966	1 903 062	1 990 610			
		KwaZulu-Natal	769 534	780 700	816 619			
		Limpopo	369 609	369 414	386 410			
		Mpumalanga	279 435	279 032	291 870			
		Northern Cape	152 820	151 394	158 356			
		North West	275 019	273 987	286 592			
		Western Cape	928 678	942 066	985 403			
		Unallocated	-	28 690	30 004			
<b>TOTAL</b>	<b>5 517 102</b>	<b>5 597 735</b>	<b>5 855 253</b>					
(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	63 501	64 262	65 085		
		Free State	29 154	29 490	30 014			
		Gauteng	94 582	96 044	98 338			
		KwaZulu-Natal	87 732	88 977	90 929			
		Limpopo	52 554	53 237	54 314			
		Mpumalanga	34 310	34 810	35 595			
		Northern Cape	24 264	24 454	24 752			
		North West	32 960	33 409	33 766			
		Western Cape	36 899	37 514	38 357			
		<b>TOTAL</b>	<b>455 956</b>	<b>462 197</b>	<b>471 150</b>			

**SCHEDULE 5, PART A**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2024/25		Forward Estimates	
					R'000	2025/26	R'000	2026/27
<b>Human Settlements (Vote 33)</b>	(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	1 518 104	1 572 985	1 593 320	1 593 320
				Free State	800 430	829 366	840 088	840 088
				Gauteng	3 893 933	4 034 701	4 086 865	4 086 865
				KwaZulu-Natal	2 507 919	2 598 582	2 632 179	2 632 179
				Limpopo	892 884	925 163	937 124	937 124
				Mpumalanga	910 077	942 978	955 168	955 168
				Northern Cape	269 298	279 033	282 641	282 641
				North West	1 256 908	1 302 346	1 319 183	1 319 183
				Western Cape	1 605 872	1 663 926	1 685 438	1 685 438
				<b>TOTAL</b>	<b>13 655 425</b>	<b>14 149 080</b>	<b>14 332 006</b>	<b>14 332 006</b>
<b>Public Works and Infrastructure (Vote 13)</b>	(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	361 420	307 920	103 374	103 374
				Free State	190 561	162 353	54 505	54 505
				Gauteng	927 043	789 815	265 155	265 155
				KwaZulu-Natal	597 069	508 686	170 774	170 774
				Limpopo	212 572	181 106	60 800	60 800
				Mpumalanga	216 666	184 593	61 971	61 971
				Northern Cape	64 112	54 623	18 338	18 338
				North West	299 236	254 942	85 588	85 588
				Western Cape	382 315	325 722	109 350	109 350
				<b>TOTAL</b>	<b>3 250 994</b>	<b>2 769 760</b>	<b>929 855</b>	<b>929 855</b>
<b>Public Works and Infrastructure (Vote 13)</b>	(a) Expanded Public Works Programme Integrated Grant for Provinces	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme guidelines; road maintenance including but not limited to block paving and pothole patching; 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 and cleaning services; energy including but not limited to retro-fitting, solar.	Conditional allocation	Eastern Cape	70 154	-	-	-
				Free State	19 379	-	-	-
				Gauteng	29 563	-	-	-
				KwaZulu-Natal	73 185	-	-	-
				Limpopo	29 664	-	-	-
				Mpumalanga	22 332	-	-	-
				Northern Cape	11 962	-	-	-
				North West	34 906	-	-	-
				Western Cape	20 496	-	-	-
				Unallocated	-	315 635	330 095	330 095
<b>TOTAL</b>	<b>311 641</b>	<b>315 635</b>	<b>330 095</b>	<b>330 095</b>				
<b>Public Works and Infrastructure (Vote 13)</b>	(b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces	To incentivise provincial social sector departments, identified in the expanded public works programme social sector plan, to increase work opportunities by focusing on the strengthening and expansion of social sector programmes that have employment potential.	Conditional allocation	Eastern Cape	66 757	-	-	-
				Free State	16 100	-	-	-
				Gauteng	38 696	-	-	-
				KwaZulu-Natal	68 213	-	-	-
				Limpopo	43 539	-	-	-
				Mpumalanga	13 023	-	-	-
				Northern Cape	16 639	-	-	-
				North West	18 499	-	-	-
				Western Cape	24 238	-	-	-
				Unallocated	-	309 622	323 807	323 807
<b>TOTAL</b>	<b>305 704</b>	<b>309 622</b>	<b>323 807</b>	<b>323 807</b>				



**SCHEDULE 5, PART A**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2024/25	2025/26	Forward Estimates	2026/27
<b>Sport, Arts and Culture</b> (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	R'000	R'000	R'000	
				Free State	182 156	186 304	194 777	
				Gauteng	183 043	186 705	195 233	
				KwaZulu-Natal	179 454	184 665	192 988	
				Limpopo	195 617	197 756	207 232	
				Mpumalanga	157 664	160 714	168 107	
				Northern Cape	174 793	178 611	186 368	
				North West	182 629	186 798	195 390	
				Western Cape	155 383	159 516	167 227	
				<b>TOTAL</b>	201 168	202 228	211 261	
				<b>TOTAL</b>	<b>1 611 907</b>	<b>1 643 297</b>	<b>1 718 583</b>	
	(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	76 624	77 647	81 354	
				Free State	44 243	44 682	46 268	
				Gauteng	111 291	112 977	119 083	
				KwaZulu-Natal	106 579	108 199	114 062	
				Limpopo	70 488	71 401	74 705	
				Mpumalanga	56 060	56 712	59 072	
				Northern Cape	36 705	36 916	37 683	
				North West	50 978	51 538	53 565	
				Western Cape	65 494	66 317	69 295	
				<b>TOTAL</b>	<b>618 462</b>	<b>626 389</b>	<b>655 087</b>	

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

Vote	Name of allocation	Purpose	Column A	Column B	
			2024/25 R'000	Forward Estimates 2025/26 R'000	2026/27 R'000
<b>RECURRENT GRANTS</b>					
<b>Cooperative Governance (Vote 3)</b>	Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation.	-	-	-
<b>National Treasury (Vote 8)</b>	(a) 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.	165 365	172 774	180 688
	(b) Local Government Financial Management Grant	To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act.	582 223	589 685	616 701
	(c) 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.	385 840	390 784	408 688
<b>Public Works and Infrastructure (Vote 13)</b>	Expanded Public Works Programme Integrated Grant for Municipalities	To incentivise municipalities to expand work creation efforts through the use of labour-intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme guidelines: road maintenance including but not limited to block paving and pothole patching; 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 and cleaning services; parks and beautification; sustainable land-based livelihoods; social services programmes; social services programmes and energy including but not limited to retro-fitting, solar.	560 103	567 281	593 271
<b>TOTAL</b>			<b>1 693 531</b>	<b>1 720 524</b>	<b>1 799 348</b>

**SCHEDULE 5, PART B**

**SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES**

Vote	Name of allocation	Purpose	Column A		Column B	
			2024/25		Forward Estimates	
			R'000	R'000	2025/26	2026/27
<b>INFRASTRUCTURE GRANTS</b>						
<b>Cooperative Governance (Vote 3)</b>	(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.	1 145 564	1 202 173	1 303 844	
	(b) Municipal Disaster Recovery Grant	To rehabilitate and reconstruct municipal infrastructure damaged by a disaster.	741 003	708 974	-	
	(c) 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.	17 054 355	17 927 319	19 443 504	
<b>National Treasury (Vote 8)</b>	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, townships and rural towns.	1 290 552	669 249	699 910	
<b>Human Settlements (Vote 33)</b>	Informal Settlements Upgrading Partnership Grant: Municipalities	To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to upgrading informal settlements.	4 515 194	4 717 475	4 933 602	
<b>Mineral Resources and Energy (Vote 34)</b>	(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.	235 700	246 260	257 542	
	(b) Integrated National Electrification Programme (Municipal) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to increase access to electricity, existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure.	1 746 436	1 697 076	1 654 605	
<b>Transport (Vote 40)</b>	(a) Public Transport Network Grant	To provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that forms part of a municipal integrated public transport network; to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services.	7 473 434	8 084 074	7 619 281	
	(b) Rural Roads Asset Management Systems Grant	To assist district municipalities to set up rural roads 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.	120 646	126 051	131 826	
<b>Water and Sanitation (Vote 41)</b>	(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.	3 852 383	3 756 930	3 005 325	
	(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.	4 037 673	4 218 561	4 411 831	
<b>TOTAL</b>			<b>42 212 940</b>	<b>43 354 142</b>	<b>43 461 270</b>	

**SCHEDULE 6, PART A**

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

Vote	Name of allocation	Purpose	Column A	Column B Forward Estimates	
			2024/25 R'000	2025/26 R'000	2026/27 R'000
<b>Basic Education (Vote 16)</b>	School Infrastructure Backlogs Grant	Eradication and upgrading of inappropriate school buildings; provision and upgrading of water and sanitation to schools; provision and upgrading of classrooms to address overcrowding.	1 641 606	1 776 576	1 870 075
<b>Health (Vote 18)</b>	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; to implement the centralised 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 through the implementation of the ideal clinic programme; to expand the healthcare service benefits through the strategic purchasing of services from healthcare providers.	2 199 527	2 417 996	2 306 927
<b>TOTAL</b>			<b>3 841 133</b>	<b>4 194 572</b>	<b>4 177 002</b>

**SCHEDULE 6, PART B**

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

Vote	Name of allocation	Purpose	Column A		Column B	
			2024/25	Forward Estimates	2025/26	2026/27
			R'000	R'000	R'000	R'000
<b>Cooperative Governance (Vote 3)</b>	(a) 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.	58 309	-	-	-
	(b) Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation.	144 596	151 055	158 183	
<b>National Treasury (Vote 8)</b>	(a) 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, townships and rural towns.	94 890	99 140	103 683	
	(b) Smart Meters Grant	To enable municipalities to implement bi-directional smart metering systems.	500 000	650 000	800 000	
<b>Mineral Resources and Energy (Vote 34)</b>	Integrated National Electrification Programme (Eskom) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to Eskom to increase access to electricity, 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.	2 196 019	2 294 401	2 399 517	
	(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.	3 057 957	3 226 507	3 231 507	
<b>Water and Sanitation (Vote 41)</b>	(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.	1 046 718	1 118 932	1 341 256	
<b>TOTAL</b>			<b>7 098 489</b>	<b>7 540 035</b>	<b>8 034 146</b>	

**SCHEDULE 7, PART A**

**UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE**

Vote	Name of allocation	Purpose	Column A		Column B	
			2024/25	Forward Estimates	2025/26	2026/27
Cooperative Governance (Vote 3)	Provincial Disaster Response Grant	To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act.	R'000 149 345	R'000 151 259	R'000 151 259	R'000 158 189
		<b>TOTAL</b>	<b>149 345</b>	<b>151 259</b>	<b>151 259</b>	<b>158 189</b>

**SCHEDULE 7, PART B**

**UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE**

Vote	Name of allocation	Purpose	Column A		Column B	
			2024/25	Forward Estimates	2025/26	2026/27
Cooperative Governance (Vote 3)	Municipal Disaster Response Grant	To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act.	R'000 378 342	R'000 395 054	R'000 395 054	R'000 413 153
		<b>TOTAL</b>	<b>378 342</b>	<b>395 054</b>	<b>395 054</b>	<b>413 153</b>

## MEMORANDUM ON THE OBJECTS OF THE DIVISION OF REVENUE BILL, 2024

### 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) (“Intergovernmental Fiscal Relations Act”), 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, 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, 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 alloca-

tions, 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 22(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 excess revenue as well as an increase of the equitable share of provinces or municipalities;
- *Clause 7* provides for conditional allocations or an increase of conditional allocations to provinces in Part A of Schedules 4 to 7;
- *Clause 8* provides for conditional allocations or an increase of 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 2024/25 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 or 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 2025/26 and 2026/27 financial years;
- *Clause 27* deals with transfers before the commencement of the Division of Revenue Act for the 2025/26 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 36* 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, and the power for the Minister of Finance to make regulations;
- *Clause 37* provides for the repeal of laws; and
- *Clause 38* 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 Constitution prescribes the classification of Bills and thus prescribes the different procedures to be followed for such enactment. The national legislative process is governed by sections 73 to 77 of the Constitution.
- 6.2. The State Law Advisers and the National Treasury have considered the Bill against the provisions of the Constitution relating to the tagging of Bills, and against the functional areas listed in Schedule 4 (functional areas of concurrent national and provincial legislative competence) and Schedule 5 (functional areas of exclusive provincial legislative competence) to the Constitution.
- 6.3. For the purposes of tagging, in the case of *Tongoane and Others v Minister for Agriculture and Land Affairs and Others 2010 (6) SA 214 (CC)*, the Constitutional Court ruled on the test to be used when tagging a Bill. The Court held, in paragraph 70, that the “test for determining how a Bill is to be tagged must be broader than that for determining legislative competence”.
- 6.4. In terms of section 76(3) of the Constitution, a Bill must be dealt with in accordance with the procedure established by either subsection (1) or subsection (2) if it falls within a functional area listed in Schedule 4 to the Constitution. Furthermore, in terms of section 76(4)(b) of the Constitution, a Bill must be dealt with in accordance with the procedure established by section 76(1) of the Constitution, if it provides for legislation envisaged in Chapter 13 of the Constitution and includes provisions affecting the financial interests of the provincial sphere of government.
- 6.5. The issue that needs to be determined is whether the proposed amendments as contained in the Bill, in substantial measure, fall within a functional area listed in Schedule 4 to the Constitution, or whether the proposed amendments fall under section 76(4)(b) of the Constitution.
- 6.6. The provisions of the Bill have been carefully examined, and in our view, they amount to 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 of the Constitution.

- 6.7. The State Law Advisers and the National Treasury are of the opinion that it is not necessary to refer this Bill to the National House of Traditional Leaders and Khoi-San Leaders in terms of section 39(1)(a) of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019), since it does not contain provisions that directly affect traditional or Khoi-San communities or pertain to customary law or the customs of traditional or Khoi-San communities.

# DIVISION OF REVENUE ATTACHMENTS

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ANNEXURE W1

**EXPLANATORY MEMORANDUM TO THE DIVISION OF REVENUE**

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## **BACKGROUND**

Section 214(1) of the Constitution requires that the nationally raised revenue be divided equitably between national government, the nine provinces and 257 municipalities. This is outlined in the annual Division of Revenue Act. The division of revenue takes into account the powers and functions assigned to each sphere; fosters transparency, predictability and stability; and is at the heart of constitutional cooperative governance.

The principles underpinning the equitable sharing and allocation of nationally raised revenue are prescribed in the Intergovernmental Fiscal Relations Act (1997). 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 2024 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 the bill takes account of each of the matters listed in section 214(a) to (j) of the Constitution; government's response to the FFC's recommendations submitted to the minister in terms of section 9 of the act or as a result of consultations with the FFC; and any assumptions and formulas used in arriving at the respective shares. Moreover, this memorandum complements the discussion on 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 2024 division of revenue.
- Part 3 sets out how the FFC's recommendations on the 2024 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 consultations 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 on 7 February 2024.

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### Part 1: Constitutional considerations

Section 214 of the Constitution requires that the annual Division of Revenue Act be enacted after 10 key principles outlined in sub-sections 2(a) to (j) are considered. The 10 constitutional principles considered in the 2024 division of revenue are briefly noted below.

#### National interest and the division of resources

The National Development Plan sets out the national interest by outlining a long-term vision for the country through which South Africa can advance inclusive economic transformation. To achieve this vision, South Africa needs to use the division of resources in a manner that draws on the energies of its people; builds and grows an inclusive economy; builds capabilities; enhances the capacity of the state; and promotes leadership and partnerships throughout society. The 2019–2024 Medium Term Strategic Framework outlines the plan and outcome-based monitoring framework for implementing South Africa's national development priorities for the sixth administration.

In the 2023 *Medium Term Budget Policy Statement* (MTBPS), the Minister of Finance outlined how the resources available to government over the 2024 medium-term expenditure framework (MTEF) period would be allocated to help address government's areas of immediate focus. These focus areas are as follows:

- Achieve fiscal sustainability by narrowing the budget deficit and stabilising debt.
- Promote economic growth by increasing spending on policy priorities such as security and infrastructure.
- Reduce fiscal and economic risks, including through targeted support to key public entities and building fiscal buffers against future shocks.

These focus areas have informed the division of resources between the three spheres of government over the 2024 MTEF period. Chapter 4 of the 2023 MTBPS and Chapters 5 and 6 of the 2024 *Budget Review* discuss how funds have been allocated across the three spheres of government based on these focus areas. The framework for each conditional grant also notes how the grant is linked to government's 14 priority outcomes.

#### Provision for debt costs

The resources shared between national, provincial and local government include proceeds from national government borrowing used to fund public spending. Gross loan debt is expected to increase from R5.2 trillion (73.9 per cent of GDP) in 2023/24 to R5.5 trillion (74.1 per cent of GDP) in 2024/25 and will peak at R6.3 trillion (74.7 per cent of GDP) in 2026/27. To protect and maintain the country's integrity and credit reputation, it is important that national government provide for the resulting debt costs. Chapter 7 of the 2024 *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 and provincial government have concurrent responsibility for a range of functions, such as school education, health services, social welfare services, housing and

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agriculture. For these functions, national government is mainly responsible for providing leadership, formulating policy (including setting norms and standards) and providing oversight and monitoring, while provincial government is mainly responsible for implementation in line with the nationally determined framework.

National government is exclusively responsible for functions that serve the national interest and are best centralised, including national defence, the criminal justice system (safety and security, courts), higher education and administrative functions (home affairs, collection of national taxes). 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 in line with legislative prescripts 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 the provision of services.

Over the 2024 MTEF period, R2.8 trillion or 51.1 per cent of non-interest spending is allocated to provinces and local government. Of this, R2.3 trillion or 42.2 per cent is allocated to provinces, while R531.7 billion or 9.8 per cent is allocated to local government. This is to continue funding local and provincial government priorities over the medium term, which include health, education and basic services, and funding the rising costs of these services as a result of population growth and higher bulk electricity and water costs.

### **Fiscal capacity and efficiency**

Fiscal capacity refers to the revenue-raising power of each sphere of government. The upcoming availability of 2022 Census data will offer an opportunity to further differentiate the funding system in a way that better reflects each province or municipality's fiscal capacity. This is especially relevant given that fiscal capacity, which refers to the revenue-raising power of each sphere of government, may have changed since the 2011 Census update.

Of all three spheres of government, national government has the highest revenue-raising capacity. The revenue generated is shared with other spheres to support various services and initiatives. National government has large spending responsibilities, and therefore typically receives the largest share of nationally raised revenue, after accounting for the contingency reserve and debt-servicing costs. Provinces, meanwhile, have limited revenue-raising capacity but significant spending responsibilities, so they receive the second-largest share of nationally raised revenue.

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Municipalities, on the other hand, can raise revenue through property rates, user charges and fees. This revenue covers basic services such as sanitation, waste management, electricity and water. The costs of these services are typically recovered through tariffs. Therefore, municipalities finance most of their expenditure through these revenue sources.

However, the ability of individual municipalities to raise revenue varies greatly. Rural municipalities, for example, typically raise much less revenue than large urban and metropolitan municipalities. The design of the local government fiscal framework acknowledges this reality and acknowledges that many rural municipalities will depend on transfers for most of their funding. These transfers are made through the local government equitable share formula, which considers the fiscal capacity of each recipient municipality.

To improve the efficiency of funding distribution, mechanisms for allocating funds to provinces and municipalities are regularly reviewed. Conditional grant allocations to provincial and local government are informed by the recipient's efficacy and efficiency in using previous allocations. With the upcoming census data, it is possible to further improve the allocation of funding to ensure that it reaches those with the greatest need.

### **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 without access to basic services in a municipality. 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), allocating R109.7 billion over the 2024 MTEF period, and social infrastructure (such as schools, hospitals and clinics), allocating R262.3 billion over the 2024 MTEF period. This is 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.



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The 2024 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 unforeseen and unavoidable events. In addition, two conditional grants for disasters and housing emergencies (*provincial disaster response grant* and *municipal disaster response grant*) allow government to allocate and transfer funds to affected provinces and municipalities in the immediate aftermath of a disaster. Over the 2024 MTEF period, R1.6 billion is allocated to these grants. Furthermore, various pieces of legislation, such as sections 16 and 25 of the Public Finance Management Act (1999), provide for the allocation of funds (including adjustment allocations) to deal with emergency, unforeseeable and unavoidable situations. 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 2024 division of revenue**

Medium-term fiscal policy is focused on reducing the budget deficit and stabilising the debt-to-GDP ratio. Over the medium term, restoring fiscal sustainability requires continued restraint in expenditure growth and reforms to raise economic growth. The 2024 Budget proposes:

- Additional allocations to address immediate spending pressures, including extending the *COVID-19 social relief of distress grant* for 12 months until March 2025, and bolstering provincial transfers for health and education.
- Supporting economic growth through a range of reforms, including the infrastructure-build programme financed through innovative funding mechanisms and supported by improved technical capabilities (see Chapter 3 of the *2024 Budget Review*).

The most important public spending programmes that help poor South Africans, contribute to growth and create jobs have been protected from major reductions. The 2024 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 R1.7 trillion in 2024/25, R1.8 trillion in 2025/26 and R1.9 trillion in 2026/27. The division of these funds between the three spheres takes into

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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.

### Increase in non-interest spending

Over the next few years, government plans to increase its consolidated government spending from R2.3 trillion in 2023/24 to R2.6 trillion in 2026/27, with an annual growth rate of 4.6 per cent. The bulk of this spending will go towards supporting the social wage, which is a crucial aspect of government's commitment to social welfare.

Despite the increase in spending, the consolidated budget deficit is expected to decline from 4.9 per cent of GDP in 2023/24 to 3.3 per cent of GDP in 2026/27. However, public entities, social security funds and provinces are expected to accumulate a combined cash deficit over the next two years, which will add to the primary budget deficit. Nonetheless, a small combined cash surplus is anticipated for these entities in 2026/27.

Additionally, spending will increase by R251.3 billion over the same period, including R57.2 billion for the carry-through costs of the 2023/24 wage increase in labour-intensive sectors and R33.6 billion to extend the *COVID-19 social relief of distress grant* for another year.

Several provincial and local government infrastructure grants that are likely to go unspent based on historical spending trends are being reprioritised to other priorities. Parts 4 and 5 of this annexure set out in more detail how the changes to the baseline affect provincial and local government transfers.

### The fiscal framework

Table W1.1 presents the medium-term macroeconomic forecasts for the 2024 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**

	2023/24		2024/25		2025/26		2026/27
	2023 Budget	2024 Budget	2023 Budget	2024 Budget	2023 Budget	2024 Budget	2024 Budget
Gross domestic product	7 005.7	7 049.0	7 452.4	7 452.2	7 938.5	7 913.8	8 422.3
Real GDP growth	1.0%	0.7%	1.7%	1.4%	1.9%	1.7%	1.8%
GDP inflation	4.3%	4.1%	4.6%	4.2%	4.6%	4.5%	4.5%
<b>National budget framework</b>							
<b>Revenue</b>	<b>1 759.2</b>	<b>1 712.8</b>	<b>1 868.1</b>	<b>1 815.0</b>	<b>2 007.7</b>	<b>1 947.4</b>	<b>2 086.0</b>
Percentage of GDP	25.1%	24.3%	25.1%	24.4%	25.3%	24.6%	24.8%
<b>Expenditure</b>	<b>2 034.6</b>	<b>2 044.2</b>	<b>2 137.9</b>	<b>2 136.0</b>	<b>2 266.5</b>	<b>2 255.6</b>	<b>2 373.2</b>
Percentage of GDP	29.0%	29.0%	28.7%	28.7%	28.6%	28.5%	28.2%
<b>Main budget balance<sup>1</sup></b>	<b>-275.4</b>	<b>-331.4</b>	<b>-269.9</b>	<b>-320.9</b>	<b>-258.8</b>	<b>-308.2</b>	<b>-287.2</b>
Percentage of GDP	-3.9%	-4.7%	-3.6%	-4.3%	-3.3%	-3.9%	-3.4%

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 2024 MTEF period after accounting for new policy priorities.

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**Table W1.2 Division of nationally raised revenue**

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
R million	Outcome			Revised estimate	Medium-term estimates		
<b>Division of available funds</b>							
<b>National departments</b>	<b>790 545</b>	<b>822 785</b>	<b>855 868</b>	<b>823 903</b>	<b>848 460</b>	<b>853 711</b>	<b>890 452</b>
<i>of which:</i>							
Indirect transfers to provinces	3 023	3 757	3 536	3 998	3 841	4 195	4 177
Indirect transfers to local government	4 100	5 702	6 956	8 297	7 098	7 540	8 034
<b>Provinces</b>	<b>628 777</b>	<b>660 799</b>	<b>694 131</b>	<b>706 404</b>	<b>729 459</b>	<b>760 853</b>	<b>790 802</b>
Equitable share	520 717	544 835	570 868	585 086	600 476	627 442	655 704
Conditional grants	108 060	115 964	123 263	121 318	128 984	133 411	135 098
<b>Local government</b>	<b>137 098</b>	<b>135 625</b>	<b>150 699</b>	<b>157 774</b>	<b>170 294</b>	<b>177 656</b>	<b>183 775</b>
Equitable share	83 102	76 169	83 938	92 689	101 178	106 087	110 661
Conditional grants	39 969	44 839	51 426	49 652	52 990	54 720	55 493
General fuel levy sharing with metros	14 027	14 617	15 335	15 433	16 127	16 849	17 621
Provisional allocation not assigned to votes <sup>1</sup>	–	–	–	–	570	41 093	53 453
<b>Non-interest allocations</b>	<b>1 556 420</b>	<b>1 619 208</b>	<b>1 700 698</b>	<b>1 688 081</b>	<b>1 748 784</b>	<b>1 833 313</b>	<b>1 918 482</b>
Percentage increase	4.7%	4.0%	5.0%	-0.7%	3.6%	4.8%	4.6%
Debt-service costs	232 596	268 072	308 459	356 141	382 183	414 664	440 240
Contingency reserve	–	–	–	–	5 000	7 600	14 500
<b>Main budget expenditure</b>	<b>1 789 016</b>	<b>1 887 280</b>	<b>2 009 157</b>	<b>2 044 222</b>	<b>2 135 967</b>	<b>2 255 576</b>	<b>2 373 222</b>
Percentage increase	5.8%	5.5%	6.5%	1.7%	4.5%	5.6%	5.2%
<i>Percentage shares</i>							
National department	50.8%	50.8%	50.3%	48.8%	48.5%	47.6%	47.7%
Provinces	40.4%	40.8%	40.8%	41.8%	41.7%	42.5%	42.4%
Local government	8.8%	8.4%	8.9%	9.3%	9.7%	9.9%	9.9%

1. Infrastructure Fund and other provisional allocations

Source: National Treasury

Table W1.3 shows how changes to the baseline are spread across government. The new focus areas are accommodated by small increases in non-interest spending.

**Table W1.3 Changes over baseline**

R million	2024/25	2025/26
National departments	12 795	-24 209
Provinces	8 997	6 180
Local government	-4 088	-5 674
<b>Allocated expenditure</b>	<b>17 703</b>	<b>-23 703</b>

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.

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

R million	2024/25	2025/26	2026/27
	Allocation	Forward estimates	
National <sup>1</sup>	1 434 313	1 522 047	1 606 856
Provincial	600 476	627 442	655 704
Local	101 178	106 087	110 661
<b>Total</b>	<b>2 135 967</b>	<b>2 255 576</b>	<b>2 373 222</b>

*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 2024 *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:

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

The act requires that the FFC table these recommendations at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2024/25* to Parliament in 2023. This year's theme is “Improving service delivery and inclusivity in an environment of expenditure moderation”. The 2024/25 recommendations cover the following areas: the sources, spillovers and fiscal sustainability of escalating global inflation; the impact of state-owned enterprises and basic income grant on fiscal sustainability; learner teacher support materials and learner transport in South Africa; assessment of the response to climate change in local government; investigation into spatial inequalities and the efficacy of municipal spending in driving local economic development; and municipal cost recovery and the affordability of basic services.

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.

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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 are normally referred to the officials to whom they were addressed, who are requested to respond directly to the FFC. All the FFC recommendations can be accessed at [www.ffc.co.za](http://www.ffc.co.za).

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

**Chapter 4: Assessing the response to climate change in local government**

The FFC recommends the following: "National Treasury, together with CoGTA [Department of Cooperative Governance and Traditional Affairs] and the DPW&I [Department of Public Works and Infrastructure], should, as a starting point, revise formats for the infrastructure grant frameworks to include climate change response specifications so as to be able to gradually achieve climate resilient infrastructure, with a strategic approach in the medium to long term of incorporating climate change mitigation and adaptation measures to all infrastructure related projects."

*Government response*

Government recognises that all municipalities should prioritise the construction of climate-resilient infrastructure. Nonetheless, this process cannot be solely regulated through conditional grants, as disaster mitigation, preparedness, and repairs and maintenance must form part of municipal budgeting and day-to-day operations to minimise the vulnerability of infrastructure to climate risks. Capital grants are not suitable to address these activities. Conditional grants are established according to relevant sectoral policies, standards and norms. Project appraisal officers must ensure that the specifications and engineering designs of each project align with these provisions, including those pertaining to climate change. The term "building back better" coined by the National Disaster Management Centre is a positive initiative that engages with relevant stakeholders, including grant-administering departments, to rebuild recovered infrastructure and create new infrastructure that is climate resilient. This collaboration will ensure that the country's infrastructure remains resilient to climate risks, safeguarding service delivery and progress in all sectors of the economy.

**Chapter 5: Investigating spatial inequalities and the efficacy of municipal spending in driving local economic development**

The FFC recommends the following: "to overcome persistent challenges municipalities face in the context of the rapidly changing economic environment, the Minister of CoGTA and the Minister of Finance should critically review the local government fiscal framework. A differentiated approach is needed to ensure the policy is well-tailored to overcome unique issues individual municipalities face. To achieve this, the fiscal framework may need to be radically, rather than incrementally, reconfigured."

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### *Government response*

The National Treasury is reviewing the fiscal framework. The findings will undergo a rigorous consultation process, and all reforms will be phased in incrementally. It should be noted that the diagnostic review of capacity building indicates that poor local government performance is not primarily funding related but a result of systemic issues rooted in poor governance.

The FFC recommends the following: “Careful attention must be given to the funding mechanism of conditional grants and the Commission thus recommends that CoGTA and National Treasury develop an appropriate funding mechanism or funding plan in a targeted and phased approach, which enhances the capacity of municipalities to spend conditional grants effectively. The DDM [district development model] must be strengthened and financed for local government to fulfil its developmental role.”

### *Government response*

The recommendation is noted. The National Treasury and CoGTA are continuously reviewing and improving funding mechanisms to ensure effective spending of conditional grants. Through the conditional grants review process currently under way, government will work towards developing an appropriate funding mechanism for conditional grants in a targeted and phased approach while improving the capacity of municipalities to spend effectively. Government acknowledges the importance of strengthening the district development model and its financing to enable local government to fulfil its developmental role. Funding to institutionalise the model is available through the *municipal systems improvement grant* for the 2024 MTEF period.

## **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 42.2 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 96.6 per cent of provincial revenue.

This section outlines national transfers to provinces for the 2024 MTEF period announced in the 2023 MTBPS and changes to the equitable share and conditional grants that were effected after it was tabled. Having taken the revisions to the provincial fiscal framework into account, national transfers to provinces increase from R706.4 billion in 2023/24 to R729.5 billion in 2024/25. Over the MTEF period, provincial transfers will grow at an average annual rate of 3.8 per cent to R790.8 billion in 2026/27. Table W1.5 sets out the transfers to provinces for 2024/25. A total of R600.5 billion is allocated to the *provincial equitable share* and R129 billion to conditional grants, which includes an unallocated amount of R149 million for the *provincial disaster response grant*.

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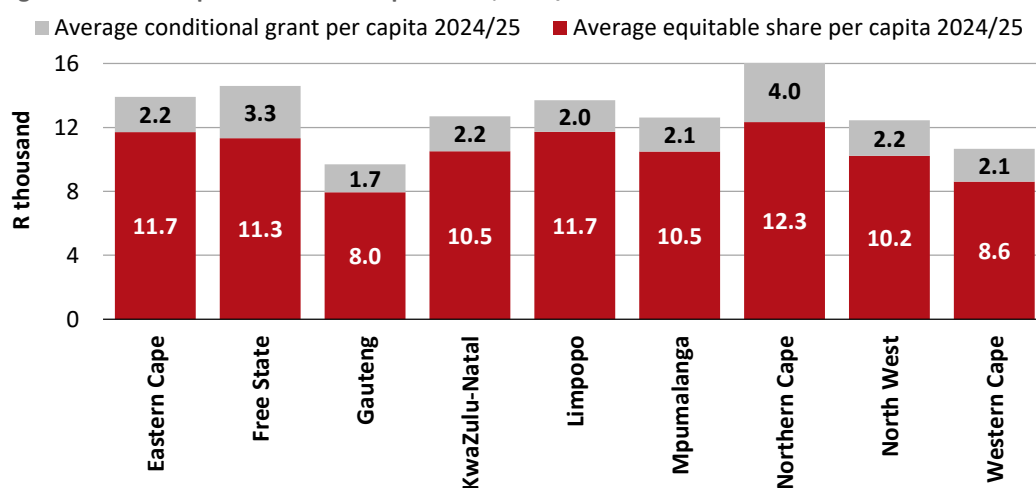
**Table W1.5 Total transfers to provinces, 2024/25**

R million	Equitable share	Conditional grants	Total transfers
Eastern Cape	78 093	14 759	92 852
Free State	33 091	9 548	42 639
Gauteng	127 992	27 891	155 883
KwaZulu-Natal	121 145	25 396	146 541
Limpopo	69 625	11 779	81 404
Mpumalanga	49 499	10 099	59 599
Northern Cape	16 143	5 224	21 367
North West	42 816	9 284	52 100
Western Cape	62 071	14 854	76 926
Unallocated		149	149
<b>Total</b>	<b>600 476</b>	<b>128 984</b>	<b>729 459</b>

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, 2024/25**



Source: National Treasury

### Changes to provincial allocations

For the 2024 MTEF period, revisions to the provincial fiscal framework reflect fiscal consolidation reductions that respond to the fiscal pressures by government. Over the 2024 MTEF period, additions have been made to cover the costs associated with the 2023 public-service wage agreement. The revisions also include the shift of funds to national government and between conditional grants. Table W1.6 provides a summary of the changes to the provincial fiscal framework.

Over the medium term, provincial transfers are reduced by R88.4 billion. Of this amount, direct transfers are reduced by R86.1 billion and indirect transfers by R2.3 billion.

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The *provincial equitable share* is reduced by R19.6 billion in 2024/25, R20.6 billion in 2025/26 and R21.3 billion in 2026/27. The 2023 MTBPS announced that the education and health sectors in the provinces would receive an allocation of R68.2 billion over the 2024 MTEF period to cover the carry-through cost of implementing the 2023 public-service wage agreement. These funds were initially allocated through the *provincial equitable share*. Of these funds, R3.9 billion has since been redirected to the provincial conditional grants in these two sectors that fund employee compensation. The remaining R64.2 billion remains in the *provincial equitable share* and is allocated to provinces through the equitable share formula. A total of R136 million has been redirected to the conditional grants in the education sector and R3.8 billion to the conditional grants in the health sector. Conditional grants to provinces are reduced by R6 billion in 2024/25, R9 billion in 2025/26 and R11.8 billion in 2026/27. Since the 2023 MTBPS, further additions of R37.3 billion have been made to the *provincial equitable share* over the MTEF period, mainly for education and health to deal with compensation of employees pressures emanating from the wage agreement. The additions are R12.2 billion in 2024/25, R12.4 billion in 2025/26 and R12.7 billion in 2026/27.

Funds were previously added to the *early childhood development grant* to pilot a nutrition support programme and a result-based service delivery model. From 2024/25, the nutrition support programme and result-based service delivery model will be implemented by national government. An amount of R1.1 billion is reprioritised from the *early childhood development grant* to national government over the medium term for this purpose.

Other changes include a shift of R737 million from the *national health insurance grant* to the *national tertiary services grant*. This shift allows for the funding of oncology services to be consolidated under a single conditional grant. The funds will be used for the continued development and expansion of tertiary services. To improve the management of the *national health insurance indirect grant*, the personal services component and the non-personal services component of the grant will be merged into one component for the 2024 MTEF period. The newly merged health systems component will continue to implement the programmes that were funded through the previous two components of this grant.



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**Table W1.6 Revisions to direct and indirect transfers to provincial government<sup>1</sup>**

R million	2024/25	2025/26	2026/27	MTEF total revision
<b>Technical adjustments</b>	–	–	–	–
<b>Direct transfers</b>	–	–	–	–
Provincial equitable share	-1 244	-1 307	-1 371	-3 921
Early childhood development grant	1	1	1	2
Education infrastructure grant	12	13	13	38
HIV and AIDS (life skills education) grant	4	4	4	11
Learners with profound intellectual disabilities	7	7	7	21
Maths, science and technology grant	0	0	0	1
National school nutrition programme grant	20	21	21	63
District health programmes grant	553	582	611	1 746
Health facility revitalisation grant	11	11	12	34
Human resources and training grant	258	271	285	814
National health insurance grant	-232	-212	-234	-678
National tertiary services grant	610	609	651	1 870
<b>Additions to baseline</b>	<b>33 803</b>	<b>35 089</b>	<b>36 577</b>	<b>105 469</b>
<b>Direct transfers</b>	<b>33 803</b>	<b>35 089</b>	<b>36 577</b>	<b>105 469</b>
Provincial equitable share	32 559	33 782	35 207	101 548
Conditional grants	1 244	1 307	1 371	3 921
<b>Reduction to baselines</b>	<b>-25 564</b>	<b>-29 651</b>	<b>-33 180</b>	<b>-88 395</b>
<b>Direct transfers</b>	<b>-24 806</b>	<b>-28 909</b>	<b>-32 420</b>	<b>-86 135</b>
Provincial equitable share	-19 583	-20 611	-21 337	-61 531
Comprehensive agricultural support programme grant	-36	-70	-73	-179
Ilima/Letsema projects grant	-200	–	–	-200
Early childhood development grant	-297	-396	-414	-1 107
Education infrastructure grant	-176	-217	-219	-611
HIV and AIDS (life skills education) Grant	-6	-7	-7	-20
Maths, science and technology grant	-9	-14	-15	-38
Provincial disaster response grant	-3	-8	-8	-19
District health programmes grant	-663	-1 684	-1 761	-4 108
Health facility revitalisation grant	-220	-460	-481	-1 161
National health insurance grant	-29	-75	-78	-182
Human settlements development grant	-1 463	-1 647	-2 187	-5 297
Informal settlements upgrading partnership grant	-1 245	-1 928	-3 983	-7 155
Expanded public works programme integrated grant for provinces	-143	-159	-166	-468
Social sector expanded public works programme incentive grant for provinces	-140	-156	-163	-459
Community library services grant	-29	-72	-75	-176
Mass participation and sport development grant	-13	-33	-34	-80
Provincial roads maintenance grant	-445	-1 093	-1 126	-2 664
<b>Indirect transfers</b>	<b>-758</b>	<b>-742</b>	<b>-760</b>	<b>-2 260</b>
School infrastructure backlogs grant	-530	-493	-503	-1 526
National health insurance indirect grant	-228	-249	-256	-733
<b>Total change to provincial government allocations</b>	<b>8 239</b>	<b>5 438</b>	<b>3 398</b>	<b>17 075</b>
Change to direct transfers	8 997	6 180	4 157	19 334
Change to indirect transfers	-758	-742	-760	-2 260
<b>Net change to provincial government allocations</b>	<b>8 239</b>	<b>5 438</b>	<b>3 398</b>	<b>17 075</b>

Source: National Treasury

After accounting for these changes, the *provincial equitable share* grows at an average annual rate of 3.9 per cent over the MTEF period, while direct conditional grant allocations grow at an average annual rate of 3.7 per cent.

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### 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 2024 MTEF period, the following amounts are allocated to the *provincial equitable share*: R600.5 billion in 2024/25, R627.4 billion in 2025/26 and R655.7 billion in 2026/27.

#### *The equitable share formula*

The equitable share formula consists of six components that account for the relative demand of services and take into consideration changing 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 the 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.

In addition to the annual data updates that are made to the *provincial equitable share* formula components, changes are being made to the components as part of the most recent review of the formula. The review, which started at the end of 2016, is being carried out in a phased manner. The changes to enrolment data and mid-year population estimates for the education component have been fully phased in. The most recent phase of the review involved updating the health component with a newly designed risk-adjusted index to inform the risk profile of each province. These changes started to be phased in over the 2022 MTEF period, with the changes taking full effect in 2024/25.

#### *Data availability*

Some of the components of the equitable share formula will continue to be updated with data used in the previous MTEF. There was no official release of mid-year population estimates by Statistics South Africa for 2023, as this was replaced with the anticipated official release of the 2022 Census. At the time of determining the *provincial equitable share* formula, most of the 2022 Census data needed to make annual technical updates to the formula was not yet available. As a result, the only data available is from the 2022 mid-year population estimates, which have been used to inform the updates in the current formula. The 2022 mid-year population estimates will therefore continue to inform the updates to the formula for the 2024 MTEF. Similarly, the economic activity component uses regional GDP data used in the 2023 MTEF. Statistics South Africa is reviewing the methodology that informs the determination of regional GDP. The 2019 regional GDP was the last official data published by Statistics South Africa and informs the updates for the equitable share formula over the 2024 MTEF period.

The rest of the formula has been updated with 2023 preliminary data published by the Department of Basic Education on school enrolment from the Learner Unit Record Information Tracking System (LURITS) database. Data from the health sector for 2021/22 and

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2022/23 and the 2022 General Household Survey for medical aid coverage is also used to update the formula.

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 2024 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, 2024 MTEF**

	Education	Health	Basic share	Poverty	Economic activity	Institutional	Weighted average
Eastern Cape	13.2%	13.6%	11.0%	14.4%	7.6%	11.1%	12.8%
Free State	5.2%	5.6%	4.8%	5.0%	5.0%	11.1%	5.5%
Gauteng	20.7%	21.1%	26.6%	19.3%	34.5%	11.1%	21.4%
KwaZulu-Natal	21.2%	20.6%	19.0%	21.7%	15.9%	11.1%	20.1%
Limpopo	12.5%	11.3%	9.8%	13.1%	7.4%	11.1%	11.7%
Mpumalanga	8.2%	8.0%	7.8%	9.3%	7.5%	11.1%	8.3%
Northern Cape	2.2%	2.3%	2.2%	2.2%	2.0%	11.1%	2.7%
North West	6.8%	7.2%	6.9%	8.3%	6.5%	11.1%	7.2%
Western Cape	9.8%	10.4%	11.9%	6.6%	13.6%	11.1%	10.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: National Treasury

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*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.

The school-age population data is updated using the 2022 mid-year population estimates data obtained from Statistics South Africa. The enrolment data is obtained from the Department of Basic Education's LURITS system, with the most recent data collected in 2023. These sub-components are used to calculate a weighted share for the education component for each of the provinces. 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**

Thousand	Age 5-17	School enrolment		Changes in enrolment data	Weighted average		Difference in weighted average
		2022	2023		2023 MTEF	2024 MTEF	
Eastern Cape	1 881	1 824	1 804	-20	13.3%	13.2%	-0.08%
Free State	721	727	721	-5	5.2%	5.2%	-0.02%
Gauteng	3 190	2 602	2 618	16	20.7%	20.7%	0.05%
KwaZulu-Natal	3 047	2 880	2 872	-8	21.2%	21.2%	-0.04%
Limpopo	1 698	1 797	1 798	1	12.6%	12.5%	-0.00%
Mpumalanga	1 146	1 144	1 149	5	8.2%	8.2%	0.01%
Northern Cape	322	305	306	0	2.2%	2.2%	0.00%
North West	1 026	875	879	5	6.8%	6.8%	0.01%
Western Cape	1 484	1 242	1 267	24	9.7%	9.8%	0.08%
<b>Total</b>	<b>14 515</b>	<b>13 396</b>	<b>13 414</b>	<b>18</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

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**

Thousand	Mid-year population estimates 2022	Insured population 2022	Risk- adjusted index	Weighted population	Risk-adjusted shares		Change
					2023 MTEF	2024 MTEF	
Eastern Cape	6 677	10.6%	119.8%	7 149	13.5%	13.8%	0.3%
Free State	2 922	14.5%	111.4%	2 783	5.2%	5.4%	0.1%
Gauteng	16 099	22.2%	85.4%	10 699	20.8%	20.6%	-0.2%
KwaZulu-Natal	11 538	11.1%	102.6%	10 526	20.4%	20.3%	-0.1%
Limpopo	5 941	8.9%	113.2%	6 125	11.7%	11.8%	0.1%
Mpumalanga	4 720	10.2%	104.7%	4 438	8.6%	8.6%	-0.1%
Northern Cape	1 309	15.7%	114.5%	1 264	2.3%	2.4%	0.1%
North West	4 187	13.6%	110.3%	3 989	7.5%	7.7%	0.2%
Western Cape	7 212	25.2%	90.6%	4 885	9.9%	9.4%	-0.4%
<b>Total</b>	<b>60 605</b>			<b>51 858</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

Source: National Treasury

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The risk-adjusted sub-component estimates a weighted population in each province using the risk-adjusted index. The percentage of the population with medical insurance, based on the 2022 General Household Survey, is deducted from the 2022 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 last column in Table W1.9 shows the change in this sub-component between 2023 and 2024.

**Table W1.10 Output sub-component shares**

Thousand	Primary healthcare visits				Hospital workload patient-day equivalents			
	2021/22	2022/23	Average	Share	2021/22	2022/23	Average	Share
Eastern Cape	13 693	14 118	13 905	13.4%	4 084	3 696	3 890	12.9%
Free State	4 772	5 059	4 915	4.7%	1 947	2 012	1 979	6.6%
Gauteng	18 648	19 725	19 186	18.5%	6 834	7 283	7 059	23.5%
KwaZulu-Natal	23 906	24 714	24 310	23.4%	6 139	6 388	6 264	20.8%
Limpopo	12 753	13 047	12 900	12.4%	2 660	2 809	2 734	9.1%
Mpumalanga	7 734	8 134	7 934	7.6%	1 733	1 790	1 762	5.9%
Northern Cape	2 333	2 538	2 435	2.3%	577	572	575	1.9%
North West	6 606	7 004	6 805	6.5%	1 631	1 629	1 630	5.4%
Western Cape	10 950	12 064	11 507	11.1%	4 075	4 235	4 155	13.8%
<b>Total</b>	<b>101 394</b>	<b>106 401</b>	<b>103 898</b>	<b>100.0%</b>	<b>29 680</b>	<b>30 414</b>	<b>30 047</b>	<b>100.0%</b>

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 2021/22 and 2022/23 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 2021/22 and 2022/23 is used to estimate their share of this part of the output sub-component, which makes up 20 per cent of the health component. In total, the output component is 25 per cent of the health component.

Table W1.11 presents the health component in three parts, with the risk-adjusted component, which accounts for 75 per cent of the health component, and the output component, which accounts for 25 per cent of the health component.

**Table W1.11 Health component weighted shares**

Weight	Risk-adjusted 75.0%	Primary healthcare 5.0%	Hospital component 20.0%	Weighted shares		Change
				2023 MTEF	2024 MTEF	
Eastern Cape	13.8%	13.4%	12.9%	13.4%	13.6%	0.2%
Free State	5.4%	4.7%	6.6%	5.5%	5.6%	0.1%
Gauteng	20.6%	18.5%	23.5%	21.2%	21.1%	-0.1%
KwaZulu-Natal	20.3%	23.4%	20.8%	20.7%	20.6%	-0.1%
Limpopo	11.8%	12.4%	9.1%	11.2%	11.3%	0.1%
Mpumalanga	8.6%	7.6%	5.9%	8.0%	8.0%	-0.1%
Northern Cape	2.4%	2.3%	1.9%	2.3%	2.3%	0.1%
North West	7.7%	6.5%	5.4%	7.1%	7.2%	0.1%
Western Cape	9.4%	11.1%	13.8%	10.6%	10.4%	-0.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

Source: National Treasury

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*Basic component (16 per cent)*

The basic component is derived from each province's share of the national population. This component constitutes 16 per cent of the total equitable share. For the 2024 MTEF, population data is drawn from the 2022 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
	2022	2022			2023 MTEF	2024 MTEF	
Eastern Cape	6 677	6 677	–	0%	11.0%	11.0%	0%
Free State	2 922	2 922	–	0%	4.8%	4.8%	0%
Gauteng	16 099	16 099	–	0%	26.6%	26.6%	0%
KwaZulu-Natal	11 538	11 538	–	0%	19.0%	19.0%	0%
Limpopo	5 941	5 941	–	0%	9.8%	9.8%	0%
Mpumalanga	4 720	4 720	–	0%	7.8%	7.8%	0%
Northern Cape	1 309	1 309	–	0%	2.2%	2.2%	0%
North West	4 187	4 187	–	0%	6.9%	6.9%	0%
Western Cape	7 212	7 212	–	0%	11.9%	11.9%	0%
<b>Total</b>	<b>60 605</b>	<b>60 605</b>	<b>–</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>–</b>

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, with each province receiving 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 2022 mid-year population estimates. Table W1.13 shows the proportion of the poor in each province from the Income and Expenditure Survey, the 2022 mid-year population estimates and the weighted share of the poverty component per province.

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

Thousand	Income and Expenditure Survey 2011/12	2023 MTEF			2024 MTEF			Difference in weighted shares
		Mid-year population estimates 2022	Poor population	Weighted shares	Mid-year population estimates 2022	Poor population	Weighted shares	
Eastern Cape	52.0%	6 677	3 474	14.4%	6 677	3 474	14.4%	0.0%
Free State	41.4%	2 922	1 209	5.0%	2 922	1 209	5.0%	0.0%
Gauteng	28.9%	16 099	4 648	19.3%	16 099	4 648	19.3%	0.0%
KwaZulu-Natal	45.3%	11 538	5 228	21.7%	11 538	5 228	21.7%	0.0%
Limpopo	52.9%	5 941	3 141	13.1%	5 941	3 141	13.1%	0.0%
Mpumalanga	47.3%	4 720	2 231	9.3%	4 720	2 231	9.3%	0.0%
Northern Cape	40.8%	1 309	534	2.2%	1 309	534	2.2%	0.0%
North West	47.9%	4 187	2 005	8.3%	4 187	2 005	8.3%	0.0%
Western Cape	21.9%	7 212	1 577	6.6%	7 212	1 577	6.6%	0.0%
<b>Total</b>		<b>60 605</b>	<b>24 046</b>	<b>100.0%</b>	<b>60 605</b>	<b>24 046</b>	<b>100.0%</b>	<b>–</b>

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 2024 MTEF, 2019 regional GDP 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**

	2023 MTEF		2024 MTEF		Difference in weighted shares
	GDP-R, 2019 (R million)	Weighted shares	GDP-R, 2019 (R million) <sup>1</sup>	Weighted shares	
Eastern Cape	387 332	7.6%	387 332	7.6%	0.0%
Free State	252 763	5.0%	252 763	5.0%	0.0%
Gauteng	1 750 062	34.5%	1 750 062	34.5%	0.0%
KwaZulu-Natal	806 843	15.9%	806 843	15.9%	0.0%
Limpopo	374 064	7.4%	374 064	7.4%	0.0%
Mpumalanga	381 915	7.5%	381 915	7.5%	0.0%
Northern Cape	103 349	2.0%	103 349	2.0%	0.0%
North West	329 363	6.5%	329 363	6.5%	0.0%
Western Cape	691 934	13.6%	691 934	13.6%	0.0%
<b>Total</b>	<b>5 077 625</b>	<b>100.0%</b>	<b>5 077 625</b>	<b>100.0%</b>	<b>0.0%</b>

1. The latest available data on GDP-R is the 2019 series

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 2023 and 2024 MTEF periods. The size of each province's share reflects the relative demand for provincial public services in that province. The changes in shares from 2023 to 2024 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 sub-sections above.

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

	<b>2023 MTEF weighted average</b>	<b>2024 MTEF weighted average</b>	<b>Difference</b>
Eastern Cape	12.9%	13.0%	0.1%
Free State	5.5%	5.5%	-0.0%
Gauteng	21.3%	21.3%	0.0%
KwaZulu-Natal	20.4%	20.2%	-0.3%
Limpopo	11.5%	11.6%	0.1%
Mpumalanga	8.2%	8.2%	0.0%
Northern Cape	2.7%	2.7%	0.0%
North West	7.1%	7.1%	0.1%
Western Cape	10.4%	10.3%	-0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

*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 2024/25 published in the 2023 MTEF and closes the gap between these shares by a third in each year of the 2024 MTEF period. As a result, one third of the impact of the data updates is implemented in 2024/25 and two thirds in the indicative allocations for 2025/26. The updates are thus fully implemented in the indicative allocations for 2026/27.



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**Table W1.16 Implementation of the equitable share weights**

Percentage	2024/25	2024/25	2025/26	2026/27
	Indicative weighted shares from 2023 MTEF	2024 MTEF weighted shares 3-year phasing		
Eastern Cape	12.9%	13.0%	13.0%	12.9%
Free State	5.5%	5.5%	5.5%	5.5%
Gauteng	21.4%	21.3%	21.3%	21.4%
KwaZulu-Natal	20.2%	20.2%	20.1%	20.1%
Limpopo	11.6%	11.6%	11.6%	11.7%
Mpumalanga	8.2%	8.2%	8.2%	8.3%
Northern Cape	2.7%	2.7%	2.7%	2.7%
North West	7.1%	7.1%	7.2%	7.2%
Western Cape	10.4%	10.3%	10.3%	10.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

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. 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 2024 MTEF period, R1.8 billion for the Coega Special Economic Zone is allocated outside the *provincial equitable share* formula for a water security programme that will construct and upgrade bulk infrastructure. 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.

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**Table W1.17 Allocations outside provincial equitable share formula**

R million	2023/24	2024/25	2025/26	2026/27	Allocation criteria
	Adjusted budget	Medium-term estimates			
Food relief shift	77 806	81 300	84 942	88 754	Allocated equally among the provinces
Social worker employment grant shift	261 681	273 433	285 683	298 502	Allocated in terms of what provinces would have received had the grant continued
Substance abuse treatment grant shift	91 009	95 096	99 356	103 814	Allocated in terms of what provinces would have received had the grant continued
Municipal intervention	101 663	106 228	110 987	115 967	Allocated equally among the provinces
HIV Prevention Programmes	119 024	124 370	129 941	135 772	Allocated based on the non-profit organisations located in the 27 priority districts
Social worker additional support shift	152 539	159 390	166 530	174 003	Allocated according to areas of high prevalence of gender-based violence, substance abuse and issues affecting children
Sanitary Dignity Programme	235 516	246 093	257 118	268 655	Allocated proportionately based on the number of girl learners per province in quintiles 1 to 3 schools
Infrastructure delivery improvement programme shift	49 192	51 401	53 703	56 113	Allocated equally among the provinces
Education sector presidential employment initiative	6 457 600	–	–	–	Allocations are based on each provincial education department's projected capacity to employ assistants in schools in line with the objectives of the initiative
BFI: Coega	298 000	632 000	848 000	307 000	Allocated only to Eastern Cape
KZN Izinduna	631 083	–	–	–	Allocated only to KwaZulu-Natal
<b>Total</b>	<b>7 546 029</b>	<b>1 137 310</b>	<b>1 188 262</b>	<b>1 241 580</b>	

Source: National Treasury

*Final provincial equitable share allocations*

The final equitable share allocations per province for the 2024 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.

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**Table W1.18 Provincial equitable share**

<b>R million</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
Eastern Cape	78 093	81 550	84 495
Free State	33 091	34 582	36 188
Gauteng	127 992	133 771	139 994
KwaZulu-Natal	121 145	126 360	131 972
Limpopo	69 625	72 925	76 482
Mpumalanga	49 499	51 739	54 150
Northern Cape	16 143	16 905	17 727
North West	42 816	44 882	47 109
Western Cape	62 071	64 728	67 588
<b>Total</b>	<b>600 476</b>	<b>627 442</b>	<b>655 704</b>

*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.

#### *Changes to conditional grants*

The overall growth in direct conditional transfers to provinces averages 3.7 per cent over the medium term. Direct conditional grant baselines total R129 billion in 2024/25, R133.4 billion in 2025/26 and R135.1 billion in 2026/27. Indirect conditional grants amount to R3.8 billion, R4.2 billion and R4.2 billion respectively for each year of the same period.

Table W1.19 provides a summary of conditional grants by sector for the 2024 MTEF period. More detailed information, including the framework and allocation criteria for each grant, is provided in the 2024 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 2022/23.

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**Table W1.19 Conditional grants to provinces**

R million	2023/24 Revised estimate	2024/25	2025/26	2026/27	MTEF total
<b>Agriculture, Land Reform and Rural Development</b>	<b>2 166</b>	<b>2 280</b>	<b>2 526</b>	<b>2 581</b>	<b>7 387</b>
Comprehensive agricultural support programme	1 502	1 741	1 754	1 774	5 270
Ilima/Letsema projects	585	448	677	708	1 834
Land care programme: poverty relief and infrastructure development	79	90	94	99	283
<b>Basic Education</b>	<b>23 598</b>	<b>26 041</b>	<b>27 505</b>	<b>28 251</b>	<b>81 798</b>
Early childhood development	1 184	1 589	1 946	2 035	5 571
Education infrastructure	12 278	13 681	14 234	14 373	42 288
HIV and AIDS (life skills education)	214	250	261	273	783
Learners with profound intellectual disabilities	260	279	291	304	875
Maths, science and technology	383	444	459	480	1 383
National school nutrition programme	9 279	9 798	10 314	10 786	30 899
<b>Cooperative Governance</b>	<b>146</b>	<b>149</b>	<b>151</b>	<b>158</b>	<b>459</b>
Provincial disaster response	146	149	151	158	459
<b>Health</b>	<b>52 743</b>	<b>56 351</b>	<b>57 450</b>	<b>60 087</b>	<b>173 888</b>
District health programme grant	25 866	27 963	28 228	29 523	85 714
Health facility revitalisation	6 680	7 152	7 243	7 575	21 969
Human resources and training grant	5 479	5 517	5 598	5 855	16 970
National health insurance grant	695	456	462	471	1 389
National tertiary services	14 024	15 264	15 919	16 662	47 845
<b>Human Settlements</b>	<b>17 081</b>	<b>16 906</b>	<b>16 919</b>	<b>15 262</b>	<b>49 087</b>
Human settlements development	13 255	13 655	14 149	14 332	42 137
Informal settlements upgrading partnership	3 826	3 251	2 770	930	6 951
<b>Public Works and Infrastructure</b>	<b>800</b>	<b>617</b>	<b>625</b>	<b>654</b>	<b>1 897</b>
Expanded public works programme integrated grant for provinces	404	312	316	330	957
Social sector expanded public works	396	306	310	324	939
<b>Sport, Arts and Culture</b>	<b>2 064</b>	<b>2 230</b>	<b>2 270</b>	<b>2 374</b>	<b>6 874</b>
Community library services	1 503	1 612	1 643	1 719	4 974
Mass participation and sport development	561	618	626	655	1 900
<b>Transport</b>	<b>22 720</b>	<b>24 408</b>	<b>25 965</b>	<b>25 731</b>	<b>76 104</b>
Provincial roads maintenance	15 317	16 672	17 883	17 279	51 834
Public transport operations	7 403	7 735	8 082	8 452	24 270
<b>Total direct conditional allocations</b>	<b>121 318</b>	<b>128 984</b>	<b>133 411</b>	<b>135 098</b>	<b>397 493</b>
<b>Indirect transfers</b>	<b>3 998</b>	<b>3 841</b>	<b>4 195</b>	<b>4 177</b>	<b>12 213</b>
<b>Basic Education</b>	<b>1 899</b>	<b>1 642</b>	<b>1 777</b>	<b>1 870</b>	<b>5 288</b>
School infrastructure backlogs	1 899	1 642	1 777	1 870	5 288
<b>Health</b>	<b>2 099</b>	<b>2 200</b>	<b>2 418</b>	<b>2 307</b>	<b>6 924</b>
National health insurance indirect	2 099	2 200	2 418	2 307	6 924

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 agri-processing infrastructure and directly supporting targeted farmers.

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.

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The *Ilima/Letsema projects grant* aims to boost food production by helping previously disadvantaged farming communities.

*Basic education 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. A portion of the funds allocated for the maintenance component of the grant is unallocated for 2025/26 and 2026/27, as this will be informed by the outcomes of the infrastructure assessments that will be conducted in each province. Funds that were previously added to the subsidy component to pilot a nutrition support programme and a results-based service delivery model have been shifted to national government, which is best suited to provide the inter-departmental co-ordination and support required.

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. Provincial education departments go through a two-year planning process to be eligible to receive incentive allocations for infrastructure projects.

To receive the 2024/25 incentive, the departments had to meet certain prerequisites in 2022/23 and have their infrastructure plans approved in 2023/24. 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 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.

The Western Cape Rapid Schools Build Programme has been provisionally allocated funding over the MTEF period through the Budget Facility for Infrastructure. The funds for 2024/25 will flow at the time of the 2024 Adjustment Budget provided the Western Cape Education Department meets the stipulated conditions.

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**Table W1.20 Education infrastructure grant allocations**

R thousand	Planning assessment results from 2023	2024/25		Final allocation for 2024/25
		Basic component	Incentive component	
Eastern Cape	81%	1 759 106	89 074	1 848 180
Free State	87%	918 231	89 074	1 007 305
Gauteng	82%	2 207 575	89 074	2 296 649
KwaZulu-Natal	98%	2 299 244	89 074	2 388 318
Limpopo	79%	1 414 329	89 074	1 503 403
Mpumalanga	83%	1 221 820	89 074	1 310 894
Northern Cape	86%	627 229	89 074	716 303
North West	79%	1 214 960	89 074	1 304 034
Western Cape	93%	1 217 280	89 074	1 306 354
<b>Total</b>		<b>12 879 775</b>	<b>801 665</b>	<b>13 681 440</b>

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.

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).

The *maths, science and technology grant* provides information and communications technology, workshop equipment and machinery to schools, which should lead to better outcomes in maths and science in the long term.

The *HIV and AIDS (life skills education) 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 *learners with profound intellectual disabilities grant* aims to expand access to quality, publicly funded education for such learners by recruiting outreach teams.

*Cooperative governance grant*

The *provincial disaster response 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. To ensure that sufficient funds are available in the event of a disaster, section 20 of the 2024 Division of Revenue Bill allows for funds allocated to the *municipal disaster response grant* to be transferred to provinces if funds in the *provincial disaster response 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.

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### *Health grants*

The *district health programmes grant* consists of two main components: a comprehensive HIV/AIDS component and a district health component. The grant supports HIV/AIDS prevention programmes and specific interventions, including voluntary counselling and testing, prevention of mother-to-child transmission, post-exposure prophylaxis, antiretroviral therapy and home-based care.

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 35 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. In the 2023 MTEF, funds that were unallocated for 2024/25 have now been allocated to the Eastern Cape, Limpopo, Mpumalanga and the North West provinces to develop and expand tertiary services in their facilities. In the 2024 MTEF, funding for oncology services will be shifted from the *national health insurance grant* to this grant. This shift allows for the funding of oncology services to be consolidated under a single conditional grant. The funds will be added to those being used to develop and expand tertiary services.

A similar approach to allocating developmental funds is taken in the training component of the *human resources and training grant*. 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 *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.

Like the *education infrastructure grant* discussed previously, a two-year planning process is 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 involving the national departments, provincial treasuries and provincial departments of health to agree on the final scores. Provinces needed 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.

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**Table W1.21 Health facility revitalisation grant allocations**

R thousand	Planning assessment results from 2023	2024/25		Final allocation for 2024/25
		Basic component	Incentive component	
Eastern Cape	87%	716 990	72 952	789 942
Free State	81%	621 399	72 952	694 351
Gauteng	80%	1 070 959	72 952	1 143 911
KwaZulu-Natal	99%	1 385 240	72 952	1 458 192
Limpopo	76%	528 369	72 952	601 321
Mpumalanga	83%	386 343	72 952	459 295
Northern Cape	72%	437 961	–	437 961
North West	78%	632 609	72 952	705 561
Western Cape	94%	788 355	72 952	861 307
<b>Total</b>		<b>6 568 227</b>	<b>583 614</b>	<b>7 151 841</b>

Source: National Treasury

The *human resources and training grant* has two components. The training component funds the training of health sciences professionals, including specialists, registrars and their supervisors. The statutory human resources component funds internship and community service posts, as well as some posts previously funded from the equitable share. In the 2023 MTEF, funds were unallocated in the training component for 2024/25. These funds have now been allocated to the Eastern Cape, Limpopo, Mpumalanga, the Northern Cape and the North West provinces to develop and expand tertiary services.

The *national health insurance indirect grant* continues to fund all preparatory work for universal health coverage, as announced in 2017/18. The conditional grant was previously implemented through three components, namely the health facility revitalisation component, the non-personnel services component and the personnel services component. From 2024/25, the non-personnel services component and the personnel services component will be merged to form a new health systems component. This will allow for better management and implementation of the conditional grant. The newly merged component will continue to fund priority services for national health insurance, which include:

- Testing and scaling up when ready, the technology platforms and information systems needed to ensure a successful transition to national health insurance.
- Strengthening health information systems, clinics and the dispensing and distribution of centralised chronic medicines.

The *national health insurance grant* continues to fund the contracting of health professionals in the former national health insurance pilot sites. The conditional grant allows provinces to pay contractors directly. In addition, the grant funds the provision of mental health services. Previously, the conditional grant also funded the delivery of oncology services. Over the medium term, funding for oncology will be shifted to the *national tertiary services grant*. This shift allows for the funding of oncology services to be consolidated under a single conditional grant. The funds will be used for the continued development and expansion of tertiary services.



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*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.

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 portion 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. Given that not all traditional dwellings are inadequate, 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.

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**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				
<b>Eastern Cape</b>	<b>10.1%</b>	<b>13.9%</b>	<b>12.7%</b>	<b>11.1%</b>
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%	10.2%	9.0%	7.3%
<b>Free State</b>	<b>5.9%</b>	<b>6.1%</b>	<b>5.3%</b>	<b>5.9%</b>
Mangaung	1.4%	1.5%	1.4%	1.5%
Other Free State municipalities	4.4%	4.6%	3.9%	4.4%
<b>Gauteng</b>	<b>30.9%</b>	<b>22.5%</b>	<b>23.7%</b>	<b>28.5%</b>
Ekurhuleni	9.1%	6.2%	6.1%	8.2%
City of Johannesburg	10.5%	8.0%	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%
<b>KwaZulu-Natal</b>	<b>18.0%</b>	<b>19.0%</b>	<b>19.8%</b>	<b>18.4%</b>
eThekweni	7.0%	6.2%	6.6%	6.8%
Other KwaZulu-Natal municipalities	11.0%	12.8%	13.2%	11.6%
<b>Limpopo</b>	<b>4.4%</b>	<b>12.0%</b>	<b>10.4%</b>	<b>6.5%</b>
<b>Mpumalanga</b>	<b>6.2%</b>	<b>7.9%</b>	<b>7.8%</b>	<b>6.7%</b>
<b>Northern Cape</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.2%</b>	<b>2.0%</b>
<b>North West</b>	<b>10.0%</b>	<b>7.8%</b>	<b>6.8%</b>	<b>9.2%</b>
<b>Western Cape</b>	<b>12.7%</b>	<b>8.7%</b>	<b>11.2%</b>	<b>11.8%</b>
City of Cape Town	9.3%	5.5%	7.2%	8.3%
Other Western Cape municipalities	3.4%	3.2%	4.0%	3.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: 2011 Census and General Household Survey

Funds are ring-fenced within the *human settlements development grant* in 2024/25 to upgrade human settlements in mining towns in four 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 *informal settlements upgrading partnership grant* intensifies efforts to upgrade informal settlements in partnership with communities. The grant is dedicated to increasing investment in upgrading existing informal settlements, which includes identifying informal settlements for upgrades, providing households with tenure and providing municipal engineering services.

*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 *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

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performance of each province relative to its peers, providing additional incentives to those that perform well.

*Sport, arts and culture grants*

The *community library services grant*, administered by the Department of Sport, Arts and Culture, aims to help South Africans access information to improve their socioeconomic situation. The grant is allocated to the relevant provincial department and administered by that department or through a service-level agreement with municipalities. In collaboration with provincial departments of basic education, the grant also funds libraries that serve both schools and the general public. Funds from this grant may be used to enable the shift of the libraries function between provinces and municipalities.

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.

*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 *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 allocated based on performance indicators relating to traffic loads, safety engineering and visual condition indicators.

**Part 5: Local government fiscal framework and allocations**

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 2024/25 budgets and to promote better accountability and transparency by ensuring that all national allocations are included in municipal budgets.

This section outlines national transfers to local government for the 2024 MTEF period announced in the 2023 MTBPS and changes to the equitable share and conditional grants that were effected after it was tabled. Having taken the revisions to the local government fiscal framework into account, R531.7 billion will be transferred directly to local government and a

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further R22.7 billion has been allocated to indirect grants. Direct transfers to local government over the medium term account for 9.8 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government increases to 10.1 per cent of national non-interest expenditure.

**Table W1.23 Transfers to local government**

R million	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Outcome			Adjusted budget	Medium-term estimates		
<b>Direct transfers</b>	<b>137 098</b>	<b>135 625</b>	<b>150 699</b>	<b>160 619</b>	<b>170 294</b>	<b>177 656</b>	<b>183 775</b>
<b>Equitable share and related</b>	<b>83 102</b>	<b>76 169</b>	<b>83 938</b>	<b>95 189</b>	<b>101 178</b>	<b>106 087</b>	<b>110 661</b>
Equitable share formula <sup>1</sup>	76 482	69 197	76 649	87 621	93 460	98 063	102 295
RSC levy replacement	5 652	5 963	6 249	6 524	6 647	6 909	7 207
Support for councillor remuneration and ward committees	969	1 009	1 040	1 044	1 071	1 115	1 160
<b>General fuel levy sharing with metros</b>	<b>14 027</b>	<b>14 617</b>	<b>15 335</b>	<b>15 433</b>	<b>16 127</b>	<b>16 849</b>	<b>17 621</b>
<b>Conditional grants</b>	<b>39 969</b>	<b>44 839</b>	<b>51 426</b>	<b>49 997</b>	<b>52 990</b>	<b>54 720</b>	<b>55 493</b>
Infrastructure	37 901	42 635	48 992	47 465	50 918	52 604	53 281
Capacity building and other	2 068	2 204	2 434	2 532	2 072	2 116	2 213
<b>Indirect transfers</b>	<b>4 100</b>	<b>7 638</b>	<b>7 182</b>	<b>8 297</b>	<b>7 098</b>	<b>7 540</b>	<b>8 034</b>
Infrastructure	4 072	7 592	7 118	8 150	6 954	7 389	7 876
Capacity building and other	28	46	64	147	145	151	158
<b>Total</b>	<b>141 198</b>	<b>143 262</b>	<b>157 880</b>	<b>168 916</b>	<b>177 393</b>	<b>185 196</b>	<b>191 810</b>

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

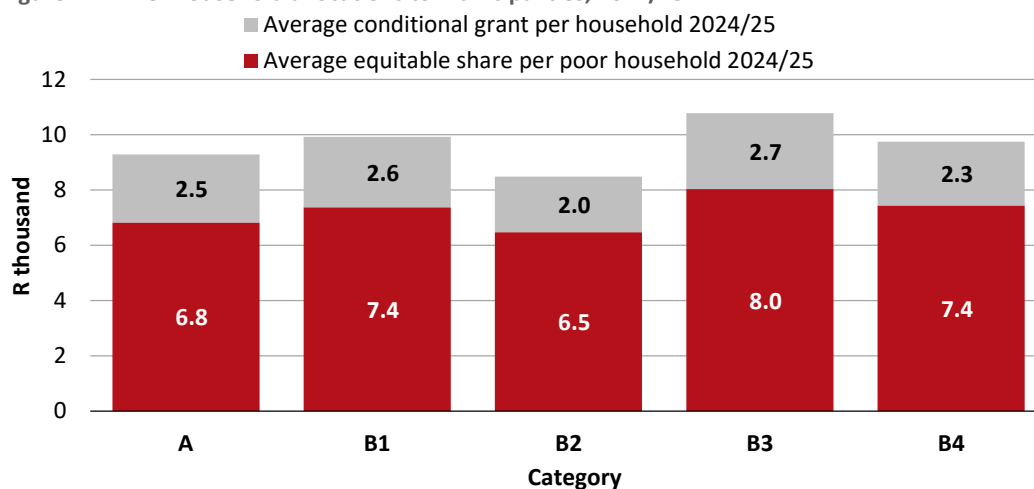
Source: National Treasury

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.

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Figure W1.2 Per household allocations to municipalities, 2024/25\*



\*Reflects funds allocated through the Division of Revenue Bill. Allocations to district municipalities are re-assigned to local municipalities where possible

Source: National Treasury

### Changes to local government allocations

Several reductions to local government allocations were proposed in the 2023 MTBPS. A number of these have been reversed or revised downwards and several further cuts and other reprioritisations effected to make funds available for other government priorities. The changes to each local government allocation are summarised in Table W1.24.

Previous reductions proposed to the general fuel levy sharing with metropolitan municipalities, the *rural roads asset management systems grant* and the *water services infrastructure grant* have been reversed.

The previous reduction of R218 million to the *integrated national electrification programme municipal grant* is revised to R204 million over the same period; the previous reduction of R49 million over the MTEF period to the *municipal disaster response grant* is revised to R35 million over the same period; and the previous reduction of R48 million over the MTEF period to the *municipal systems improvement grant* is revised to R27 million over the same period.

To make funds available for other government priorities, further reductions have been made to some municipal conditional grants over the 2024 MTEF period. These include an additional reduction of R3.5 billion to the *integrated national electrification programme Eskom grant*; an additional reduction of R73 million to the *integrated urban development grant*; an additional reduction of R14 million to the *energy efficiency and demand-side management grant*; an additional reduction of R4 million to the *public transport network grant*; an additional reduction of R127 million to the direct component of the *regional bulk infrastructure grant*; and an additional reduction of R852 million to the indirect component of the *regional bulk infrastructure grant*.

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

R million	2024/25	2025/26	2026/27	2024 MTEF total revisions
<b>Technical adjustments</b>	<b>-200</b>	<b>-200</b>	<b>400</b>	<b>-</b>
<b>Direct transfers</b>	<b>-924</b>	<b>-1 056</b>	<b>-616</b>	<b>-2 596</b>
<b>Local government equitable share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Equitable share formula	4	-3	-0	0
Support for councillor and ward committees	-4	3	0	-0
<b>Conditional grants</b>	<b>-924</b>	<b>-1 056</b>	<b>-616</b>	<b>-2 596</b>
Integrated urban development	-46	-45	-	-91
Municipal disaster recovery	741	709	-	1 450
Municipal infrastructure	-753	-664	-	-1 417
Integrated national electrification programme	-500	-650	-800	-1 950
Public transport network	-200	-200	400	-
Regional bulk infrastructure	-166	-206	-216	-587
<b>Indirect transfers</b>	<b>724</b>	<b>856</b>	<b>1 016</b>	<b>2 596</b>
Municipal infrastructure	58	-	-	58
Smart meters	500	650	800	1 950
Regional bulk infrastructure	-40	-34	-206	-279
Water Services Infrastructure	205	240	422	867
<b>Additions</b>	<b>650</b>	<b>-</b>	<b>-</b>	<b>650</b>
<b>Direct transfers</b>	<b>650</b>	<b>-</b>	<b>-</b>	<b>650</b>
<b>Conditional grants</b>	<b>650</b>	<b>-</b>	<b>-</b>	<b>650</b>
Neighbourhood development partnership	650	-	-	650
<b>Reductions to baselines</b>	<b>-6 302</b>	<b>-7 193</b>	<b>-7 759</b>	<b>-21 253</b>
<b>Direct transfers</b>	<b>-3 814</b>	<b>-4 618</b>	<b>-5 093</b>	<b>-13 526</b>
<b>Local government equitable share</b>	<b>-2 594</b>	<b>-3 281</b>	<b>-3 717</b>	<b>-9 593</b>
Equitable share formula	-2 396	-3 033	-3 436	-8 866
RSC levy replacement	-170	-214	-242	-626
Councillors and ward committees	-28	-34	-39	-101
<b>Conditional grants</b>	<b>-1 220</b>	<b>-1 337</b>	<b>-1 376</b>	<b>-3 933</b>
Integrated urban development	-35	-37	-39	-112
Municipal infrastructure	-524	-558	-584	-1 666
Informal settlements upgrading partnership	-46	-48	-50	-143
Urban settlements development	-88	-93	-99	-281
Energy efficiency and demand-side management	-7	-7	-7	-21
Integrated national electrification programme	-65	-68	-71	-204
Neighbourhood development partnership	-6	-7	-7	-20
Public transport network	-79	-85	-74	-238
Regional bulk infrastructure	-81	-83	-77	-241
Municipal disaster response	-11	-12	-12	-35
Infrastructure skills development	-2	-2	-2	-5
Local government financial management	-12	-31	-32	-75
Programme and project preparation support	-8	-21	-22	-50
Expanded public works programme integrated	-256	-286	-299	-841
<b>Indirect transfers</b>	<b>-2 488</b>	<b>-2 575</b>	<b>-2 665</b>	<b>-7 728</b>
Integrated national electrification programme	-1 797	-1 877	-1 963	-5 637
Neighbourhood development partnership	-11	-11	-12	-33
Regional bulk infrastructure	-672	-678	-681	-2 031
Municipal systems improvement	-9	-9	-9	-27
<b>Total change to local government allocations</b>	<b>-4 088</b>	<b>-5 674</b>	<b>-5 710</b>	<b>-15 471</b>
Change to direct transfers	-4 088	-5 674	-5 710	-15 471
Change to indirect transfers	-1 764	-1 719	-1 649	-5 132
<b>Net change to local government allocations</b>	<b>-5 852</b>	<b>-7 393</b>	<b>-7 359</b>	<b>-20 603</b>

Source: National Treasury

Reprioritisations over the MTEF period include the following: R58.3 million from the direct component of the *municipal infrastructure grant* is converted to the indirect component of

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the grant; R587 million from the direct component of the *regional bulk infrastructure grant* is converted to the indirect component; R91 million from the *integrated urban development grant* and R1.4 billion from the *municipal infrastructure grant* are shifted to the *municipal disaster recovery grant* to fund the repair and reconstruction of municipal infrastructure damaged by the floods that occurred between February and March 2023; R400 million from the first two years of the MTEF period are shifted to the outer year in the *public transport network grant*; R2 billion is reprioritised from the *integrated national electrification programme municipal grant* to fund the baseline for the new *smart meters grant*; and R432 million is reprioritised from the *integrated national electrification programme Eskom grant* to fund other priorities in the energy sector.

Having taken these revisions into account, local government allocations decrease by R13.5 billion over the 2024 MTEF period. Direct allocations to municipalities over the next three years grow at an average annual rate of 4.6 per cent. Indirect allocations decline at an average annual rate of 1.1 per cent.

### **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 2024 MTEF period, the local government equitable share, including the Regional Service Council/Joint Service Board (RSC/JSB) levies replacement grant and the special support for councillor remuneration and ward committees grant, amounts to R317.9 billion (R101.2 billion in 2024/25, R106.1 billion in 2025/26 and R110.7 billion in 2026/27).

#### *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.

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- 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 2024 terms, this monthly income is equivalent to about R4 418 per month. The threshold is not an official poverty line or a required level to be used by municipalities in their own indigence policies. If municipalities choose to provide fewer households with free basic services than they are funded for through the *local government equitable share*, then their budget documentation should clearly set out why they have made this choice and how they have consulted with their community during the budget process.

The number of households per municipality, and the number below the poverty threshold, is updated annually. 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



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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 2022 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 recent release of the 2022 Census household data has shed light on the higher-than-expected growth in the number of households used in the *local government equitable share* formula for 2022/23, surpassing the current count of households by 1.1 million, which represents a difference of 6 per cent. These variances were found across all municipal categories, bringing attention to the need for further analysis and discussion.

The absence of the Income and Expenditure Survey from Statistics South Africa, which is expected to be released in late 2024, presents a major challenge in accurately quantifying the impact of these noted variances on municipal allocations. To address this issue, consultations with Statistics South Africa are scheduled for the upcoming financial year to determine the best course of action.

To minimise disruption to municipal allocations when the complete census data becomes available for implementation in the outer years of the MTEF period, several intergovernmental forums – including the Local Government Equitable Share Working Group, the Technical Budget Forum, the Technical Committee for Finance and the Budget Forum – have agreed to halt the growth of household numbers. This decision means that the *local government equitable share* formula for the 2024 MTEF period will rely on the 2023/24 household estimates as contained in the 2023/24 *local government equitable share* formula, effectively stabilising the process until the 2022 Census data has been evaluated and decisions made.

The basic services subsidy is typically allocated to 100 per cent of households that fall below the poverty threshold. However, due to baseline reductions over the years and the rapid growth in the cost of bulk services, the basic services subsidy could not be fully funded, as the reductions had to spread across all components of the formula to minimise the impact on service delivery in smaller and more rural municipalities. Over the MTEF period ahead, the subsidy is allocated to 100 per cent of households below the poverty threshold. The basic services subsidy will fund 11.2 million households in 2024/25.

The basic services component provides a subsidy of R567.12 per month in 2024/25 for the cost of providing basic services to each of these households. The subsidy includes funding for

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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, 2024/25**

	Allocation per household below affordability threshold (R per month)			Total allocation per service (R million)
	Operations	Maintenance	Total	
Energy	122.4	13.6	136.0	18 251
Water	176.6	19.6	196.2	26 329
Sanitation	115.0	12.8	127.8	17 140
Refuse removal	96.4	10.7	107.1	14 368
<b>Total basic services</b>	<b>510.4</b>	<b>56.7</b>	<b>567.1</b>	<b>76 088</b>

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 – period 5 approved by the National Energy Regulator of South Africa. This price determination covered the 2023/24 and 2024/25 financial years at increases of 18.7 per cent and 12.7 per cent, respectively. Given the absence of approved increases for the outer years of the 2024 MTEF, the increases in the *local government equitable share* formula are estimated to be the average of the multi-year price determination 5 approvals (15.7 per cent) over this period. As such, the free basic electricity subsidy in the *local government equitable share* is calculated based on a 12.7 per cent tariff increase in 2024/25 and a 15.7 per cent increase in 2025/26 and 2026/27. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2023 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 is calculated at 10.8 per cent over the medium-term period. Other costs are updated based on the National Treasury's inflation projections in the 2023 MTBPS. The costs for sanitation and refuse removal are updated based on the National Treasury's inflation projections in the 2023 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.

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**The basic services component**

*BS = basic services subsidy x 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 R76.1 billion in 2024/25 and accounts for 81.4 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 unable 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 2024/25, this component consists of a base allocation of R8.9 million, which goes to every municipality, and an additional amount that is based on the number of council seats in each municipality. The number of council seats accounts for the councillor numbers that took effect on the date of the 2021 local government elections. This component reflects the relative size of a municipality's administration and is not intended to fund the costs of councillors only (the Minister of CoGTA determines the number of seats recognised for the formula). The base allocation acknowledges that all municipalities have some fixed costs.

**The institutional component**

*I = base allocation + [allocation per councillor x number of council seats]*

The institutional component accounts for 7.4 per cent of the *local government equitable share* formula and is worth R6.9 billion in 2024/25. 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, stormwater 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.

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The allocation for this component is split between district and local municipalities, which both provide community services. In 2024/25, the allocation to district municipalities for municipal health and related services is R12.41 per household per month. The component's remaining funds are allocated to local and metropolitan municipalities for other services, 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 11.2 per cent of the *local government equitable share* formula and is worth R10.4 billion in 2024/25.

### *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.

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The revenue adjustment factor is not based on the actual revenues that 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](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

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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 R20.1 billion over the 2024 MTEF period and grows at an average annual rate of 3.4 per cent.

From 2023/24, a uniform growth rate is applied for allocations to C1 and C2 district municipalities. This allocation methodology will be in place until the Department of Cooperative Governance finalises its review of section 84 of the Municipal Structures Act (1998) to clarify and streamline the powers and functions of district municipalities. The review should inform the development of an appropriate funding model for 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 2024/25 is R1.1 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 CoGTA, 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 grows from R53 billion in 2024/25 to R54.7 billion in 2025/26 and R55.5 billion in 2026/27.

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.

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### 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 R179 billion over the 2024 MTEF period.

**Table W1.26 Infrastructure grants to local government**

R million	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Outcome			Revised budget	Medium-term estimates		
<b>Direct transfers</b>	<b>37 901</b>	<b>42 635</b>	<b>48 992</b>	<b>47 465</b>	<b>50 918</b>	<b>52 604</b>	<b>53 281</b>
Integrated urban development	936	1 009	1 085	1 172	1 146	1 202	1 304
Municipal disaster recovery	–	–	3 319	1 505	741	709	–
Municipal infrastructure	14 491	15 593	16 842	16 342	17 054	17 927	19 444
Informal settlements upgrading partnership	–	3 945	4 273	4 059	4 515	4 717	4 934
Urban settlements development	10 572	7 405	7 352	7 596	8 705	9 250	9 819
Energy efficiency and demand-side management	193	221	223	224	236	246	258
Integrated national electrification programme	1 359	2 002	2 120	2 032	1 746	1 697	1 655
Neighbourhood development partnership	479	1 318	1 293	1 346	1 291	669	700
Public transport network	4 389	5 175	6 013	6 194	7 473	8 084	7 619
Rural roads asset management systems	108	110	115	115	121	126	132
Regional bulk infrastructure	2 006	2 237	2 656	3 259	3 852	3 757	3 005
Water services infrastructure	3 368	3 620	3 701	3 620	4 038	4 219	4 412
<b>Indirect transfers</b>	<b>4 072</b>	<b>7 592</b>	<b>7 118</b>	<b>8 150</b>	<b>6 954</b>	<b>7 389</b>	<b>7 876</b>
Municipal infrastructure	–	–	–	30	58	–	–
Integrated national electrification programme	1 983	2 824	3 588	3 518	2 196	2 294	2 400
Neighbourhood development partnership	61	181	190	189	95	99	104
Smart meters	–	–	–	–	500	650	800
Regional bulk infrastructure	1 724	3 857	2 725	3 298	3 058	3 227	3 232
Water services infrastructure	305	730	615	1 114	1 047	1 119	1 341
<b>Total</b>	<b>41 973</b>	<b>50 227</b>	<b>56 110</b>	<b>55 615</b>	<b>57 872</b>	<b>59 993</b>	<b>61 157</b>

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 total allocations for this grant amount to R54.4 billion over the medium term and grow at an average annual rate of 6 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 that follows.

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**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.

**Table W1.27 Data used in the municipal infrastructure grant formula**

Component	Input for horizontal calculation	Proxy used in 2024 (corresponding with data available from 2011 Census)
B	Number of water backlogs	Water access: Poor households <sup>1</sup> report having access to piped water inside their dwelling, in the yard or within 200 meters of their dwelling
	Number of sanitation backlogs	Sanitation access: Poor households report flush toilet, chemical toilet, pit toilet with ventilation or ecological toilet
	Number of road backlogs	Roads backlog: Number of households
	Number of other backlogs	Refuse access: Poor households report 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 services standards differ by area. For traditional and farms the following conditions apply: removed by local authority / private company / community members less than once a week, communal refuse dump and communal contained / central collection point. For farms the following further addition 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 poor 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 as a monthly household income of less than R2 300 per month in 2011 Census data*  
Source: National Treasury

Table W1.28 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.



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**Table W1.28 Municipal infrastructure grant allocations per sector**

Municipal infrastructure grant (formula)	Component weights	Value of component 2024/25 (R million)	Proportion of municipal infrastructure grant per sector
<b>B-component</b>	<b>75,0%</b>	<b>12 021</b>	<b>68,4%</b>
Water and sanitation	54,0%	6 491	37,0%
Roads	17,3%	2 074	11,8%
Other	3,8%	451	2,6%
<b>P-component</b>	<b>15,0%</b>	<b>2 404</b>	<b>13,7%</b>
Sports	33,0%	793	4,5%
<b>E-component</b>	<b>5,0%</b>	<b>801</b>	<b>4,6%</b>
<b>N-component</b>	<b>5,0%</b>	<b>801</b>	<b>4,6%</b>
<b>Constant</b>		<b>1 085</b>	<b>6,2%</b>
<b>Ring-fenced funding for sport infrastructure</b>		<b>452</b>	<b>2,6%</b>
<b>Total</b>		<b>17 565</b>	<b>100,0%</b>

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 Sport, Arts and Culture. These earmarked funds amount to R1.4 billion over the 2024 MTEF period (R452 million in each year of the three-year 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.

Over the 2024 MTEF period, municipalities will continue to be allowed to use up to 5 per cent of their allocations to fund the development of infrastructure asset management plans. This is intended to build 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 must submit a business plan to the Department of Cooperative Governance, accompanied by a copy of their audited asset register.

To support municipalities experiencing project implementation challenges, over the 2024 MTEF period the Department of Cooperative Governance will continue to use the indirect component of the grant to implement projects on behalf of identified municipalities. Further details regarding the criteria that will be used, including the conditions, and the responsibilities of the transferring officer and receiving officer are contained in the grant framework.

*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.

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The grant 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 eligible to receive a performance-based incentive component, which is based on performance against the weighted indicators set out below.

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**Table W1.29 Performance-based component weighted indicators for integrated urban development grant**

<b>Indicators</b>	<b>Purpose</b>	<b>Weight</b>	<b>Scores</b>
Non-grant capital as a percentage of total capital expenditure	Encourage cities to increase their capital investments funded through own revenue and borrowing	40%	1 if 70% or higher 0 if 30% or lower Linear scale in between
Repairs and maintenance expenditure as percentage of operating expenditure	Reward cities that take good care of their existing asset base	30%	1 if 8% or higher
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
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 2024/25		1 if 50% or higher 0 if 10% or lower
Building plans 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 2024/25		Linear scale in between

Source: National Treasury

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The total allocations for this grant amount to R3.7 billion over the 2024 MTEF period and grow at an average annual rate of 3.6 per cent. There are no new entrants to the *integrated urban development grant* over the period.

**Table W1.30 Formula for integrated urban development grant incentive component**

	Planning allocation (R 000)	Performance incentive					Weighted score	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				
uMhlathuze	–	40%	30%	20%	–	16%	26 329	26 329	
Drakenstein	–	20%	20%	30%	–	12%	20 478	20 478	
Mogale City	–	10%	20%	20%	–	9%	14 627	14 627	
Polokwane	–	10%	20%	20%	–	9%	14 627	14 627	
Ray Nkonyeni	–	10%	20%	20%	–	9%	14 627	14 627	
Sol Plaatje	–	20%	30%	10%	–	10%	17 552	17 552	
Stellenbosch	–	30%	30%	20%	–	14%	23 403	23 403	
Steve Tshwete	–	30%	30%	20%	–	14%	23 403	23 403	
George	–	20%	10%	20%	–	9%	14 627	14 627	
<b>Total</b>	–					<b>100%</b>	<b>169 673</b>	<b>169 673</b>	

Source: Department of Cooperative Governance

*Urban settlements development grant*

Over the years, the *urban settlements development grant* has been criticised for limiting the amount of discretion provided to municipalities that benefit from it, with the grant being largely associated with housing or human settlements. This has neglected other important municipal functions, such as bulk infrastructure. The grant's framework has been amended to emphasise the importance of spending on both new and existing bulk infrastructure.

The *urban settlements development grant* serves as an integrated source of funding for infrastructure development in municipal services in the eight metropolitan municipalities. This grant is allocated as a supplementary fund to these cities under schedule 4, part B of the Division of Revenue Act. Accordingly, the eight metropolitan municipalities are expected to use a combination of grant and own revenue funds to support the development of urban infrastructure and integrated human settlements.

To ensure progress on these projects, cities must report their progress against the set targets in their service delivery and budget implementation plans. From 2019/20, cities have also been required to report in line with the requirements of the Municipal Finance Management Act Circular 88. Consequently, cities report on an agreed set of indicators used by multiple stakeholders to monitor progress on the integrated and functional outcomes, instead of reporting separately to each department.

The grant is allocated R27.8 billion over the medium term and grows at an average annual rate of 8.9 per cent. This amount includes a total Budget Facility for Infrastructure allocation of R1.7 billion over the same period. eThekweni Metropolitan Municipality is allocated R118 million in 2024/25 for the implementation of phase 1 of the Avoca Node Programme, which entails upgrading roads and stormwater infrastructure. The City of Johannesburg is

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allocated R654 million in 2024/25 and R963 million in 2025/26 for the implementation of the Lufhereng Mixed Use Development Programme. These funds will be used to build municipal connection links for bulk electrical, water, sanitation, roads and stormwater infrastructure that will serve 30 000 housing units.

The allocation per municipality (excluding the BFI allocations) 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.

*Informal settlements upgrading partnership grant*

Upgrading informal settlements remains a priority over the medium term. The *informal settlements upgrading partnership grant* is allocated R4.5 billion in 2024/25, R4.7 billion in 2025/26 and R4.9 billion in 2026/27. Upgrading informal settlements 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. This grant requires cities to work in partnership with communities to develop and complete their strategies for such upgrades.

*Programme and project preparation support grant*

The *programme and project preparation support grant* assists metropolitan municipalities in developing a pipeline of investment-ready capital programmes and projects. This is done by establishing and institutionalising an effective and efficient system of programme and project preparation, as well as allocating a growing level of municipal resources for preparation activities. The grant is allocated R1.2 billion over the 2024 MTEF period and grows at an average annual rate of 8.6 per cent.

*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 R17.8 billion over the medium term.

A formula is used to determine 95 per cent of the allocations and a performance-based incentive component 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

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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.

In 2023/24, the incentive component was not active due to concerns regarding the credibility of the data. However, these issues have since been resolved and the component has been reinstated for 2024/25. The baseline for this year has been set at R303 million. To calculate the performance incentives for 2024/25, Table W1.31 has been created, which takes into account the raw scores for each city. These raw scores have been weighted based on the sum of the base and formula components, which helps to factor in the size of the city.

**Table W1.31 Public transport network grant**

	Operational public transport system	Grant spent in 2022/23	Eligible for incentive	Coverage of direct costs from farebox	Average weekday passenger trips (% of population)	City's contribution (% of property rates)	Raw scores for incentive	Incentive allocation for 2024/25 (R 000)
<b>Minimum threshold</b>	<b>Yes</b>	<b>80%</b>		<b>35,0%</b>	<b>1,0%</b>	<b>2,0%</b>		
City of Cape Town	Yes	99%	Yes	2,7%	0,62%	5,5%	0,282	210 435
City of Johannesburg	Yes	75%	No	0,0%	0,00%	2,8%	–	–
City of Tshwane	Yes	93%	Yes	0,0%	0,00%	0,0%	–	–
Ekurhuleni	Yes	100%	Yes	0,0%	0,00%	0,0%	–	–
eThekweni	No	60%	No	0,0%	0,00%	0,0%	–	–
George	Yes	85%	Yes	0,0%	6,33%	0,1%	0,306	38 190
Mangaung	No	0%	No	0,0%	0,00%	0,0%	–	–
Msunduzi	No	0%	No	0,0%	0,00%	0,0%	–	–
Nelson Mandela Bay	Yes	35%	No	0,0%	0,00%	0,0%	–	–
Polokwane	Yes	93%	Yes	23,9%	0,00%	0,0%	0,299	54 346
Rustenburg	Yes	100%	Yes	0,0%	0,00%	0,0%	–	–
<b>Total</b>								<b>302 972</b>

Source: National Treasury

During 2020/21, three cities were suspended from receiving this grant due to being in the planning phase since the grant's introduction in the 2006 MTEF period. Among these cities was Msunduzi Local Municipality, which has since demonstrated notable progress in implementing its integrated public transport network plan, with the goal of making its system operational over the medium term. As a result, the Department of Transport plans to gradually reintroduce the municipality into the grant from 2024/25 onwards. As determined outside of the formula, the municipality has been allocated R300 million over the medium term.

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. In 2024/25, this component is equally shared among nine of the 11 cities. A portion of the City of Johannesburg's base allocation for 2024/25 is reprioritised to fund the phased-in re-entry of Msunduzi Local Municipality. 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 Agency of South Africa) and the size of a city's economy.

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Table W1.32 sets out how the final allocation for each municipality is determined, taking account of both the formula and incentive components.

**Table W1.32 Formula for the public transport network grant**

	Base 20%	Demand-driven factors 75%			Subtotal: base and demand- driven factors	Performance 5%	100%
	Equally shared <sup>1</sup>	Population component shares	Regional gross value added component shares	Public transport users component shares			Grant allocations <sup>2</sup> ( R 000)
City of Cape Town	10.0%	17.8%	16.8%	16.4%	15.2%	210 435	885 316
City of Johannesburg	5.9%	21.1%	26.9%	22.0%	19.7%	-	1 135 473
City of Tshwane	10.0%	13.9%	16.0%	15.1%	14.0%	-	804 327
Ekurhuleni	10.0%	15.1%	10.1%	16.4%	13.0%	-	749 530
eThekweni	10.0%	16.4%	16.9%	19.0%	16.0%	-	921 411
George	10.0%	0.9%	0.5%	0.2%	2.5%	38 190	184 733
Mangaung	10.0%	3.6%	2.5%	3.3%	4.6%	-	266 686
Msunduzi	4.1%	0.0%	0.0%	0.0%	0.9%	-	50 000
Nelson Mandela Bay	10.0%	5.5%	5.0%	3.8%	5.9%	-	339 948
Polokwane	10.0%	3.0%	1.6%	1.3%	3.7%	54 346	267 249
Rustenburg	10.0%	2.6%	3.7%	2.4%	4.4%	-	254 763
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>302 972</b>	<b>5 859 434</b>

1. Equally shared amongst 9 of the 11 cities. A portion of the City of Johannesburg's base allocation for 2024/25 is reprioritised to fund the phased-in re-entry of Msunduzi Local Municipality

2. Excludes additional funds for the City of Cape Town allocated through the Budget Facility for Infrastructure

Source: National Treasury

In addition to the formula, R5.4 billion is allocated through the *public transport network grant* over the medium term for Phase 2A of the City of Cape Town's MyCiTi public transport network, linking the underserved areas of Khayelitsha and Mitchells Plain to the city centre. This project is funded through the BFI.

#### *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 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, had identified a cohort of non-metropolitan municipalities to implement new projects as part of this grant. The National Treasury will continue to partner with these municipalities to identify, plan and implement infrastructure upgrades in targeted urban hub precincts.

As part of government's efforts to promote job creation, R650 million is being added in 2024/25 to the *neighbourhood development partnership grant* to fund the Cities Public Employment Programme. The grant is allocated R3 billion over the 2024 MTEF period, made up of R2.7 billion for the direct capital component and R298 million for the indirect technical assistance component.

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*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.

This grant has a direct and indirect component. In areas where municipalities have the capacity to implement projects themselves, funds are transferred through a direct component. In other areas, the Department of Water and Sanitation implements projects on behalf of municipalities through an indirect component. 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 direct component of the grant is allocated R10.6 billion over the 2024 MTEF period. This amount includes amounts from the Budget Facility for Infrastructure over the medium term. Sol Plaatje Local Municipality is allocated R492 million in 2024/25 and R574 million in 2025/26 to refurbish and renew old water supply infrastructure. Drakenstein Local Municipality is allocated R593 million in 2024/25 and R481 million in 2025/26 to upgrade sanitation infrastructure. Nelson Mandela Bay is allocated R250 million in 2024/25 and R390 million in 2025/26 to avert the water supply crisis from the ongoing drought over the short term. The programme includes fixing water leaks, upgrading the water treatment works, borehole exploration and development, and upgrading a bulk water pipeline.

The indirect component of this grant is allocated R9.5 billion over the 2024 MTEF period.

*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. This grant has a direct and indirect component. In areas where municipalities have the capacity to implement projects themselves, funds are transferred through a direct component. In other areas, the Department of Water and Sanitation implements projects on behalf of municipalities through the indirect component.

Over the 2024 MTEF period, the direct component of this grant is allocated R12.7 billion and the indirect component is allocated R3.5 billion.

*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



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Department of Mineral Resources and Energy. These grants only funds bulk infrastructure and alternative energy technologies that serve poor households. Recent census data from 2022 indicates that the national electrification programme has been successful in providing electricity access to 95 per cent of poor households. This is a notable increase from the 91 percent documented in the 2016 Community Survey and the 85 percent documented in the 2011 Census. To sustain this progress, government will spend R12 billion on the programme over the 2024 MTEF period.

The integrated national electrification programme (municipal) grant is allocated R5.1 billion over the 2024 MTEF period. The integrated national electrification programme (Eskom) grant is allocated R6.9 billion over the medium term.

*Energy efficiency and demand-side management grant*

The *energy efficiency and demand-side management grant* provides selected municipalities with funds to implement projects focused on public lighting and energy-efficient municipal infrastructure. This grant also enables municipalities to use funding for planning and preparing for the Energy Efficiency in Public Infrastructure and Building Programme, which aims to create a market for private investment in the large-scale retrofitting of municipal infrastructure, with repayment made through the achieved energy cost savings. Such an approach has the potential to unlock much-needed energy and cost savings on a large scale. Furthermore, municipalities can use 15 per cent of this grant funding to develop a project pipeline and strengthen the market for energy companies offering retrofitting services.

Expanding energy-efficiency retrofits is a critical component of achieving the objectives outlined in the National Climate Change Response Strategy and the United Nations Framework Convention on Climate Change. The approach also supports municipalities in accessing donor financing. The grant has been allocated R740 million over the medium term and is projected to grow at an average annual rate of 4.7 per cent.

*Rural roads asset management systems grant*

The Department of Transport administers the *rural roads asset management systems grant*. 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 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 allocated R121 million in 2024/25, R126 million in 2025/26 and R132 million in 2026/27.

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### *Municipal disaster recovery grant*

After the initial response to a disaster has been addressed, including through funding from the *municipal disaster response grant* discussed below, repairing damaged municipal infrastructure is funded through the *municipal disaster recovery grant*. This grant is allocated R1.4 billion over the 2024 MTEF period for municipalities in the Eastern Cape, KwaZulu-Natal, Limpopo and Mpumalanga to fund the repair and reconstruction of municipal infrastructure damaged by disaster incidents that occurred in 2023.

### 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 response grant*. A total of R6.9 billion is allocated to capacity-building grants and other current transfers to local government over the medium term.

**Table W1.33 Capacity building and other current grants to local government**

R million	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Outcome			Revised budget	Medium-term estimates		
<b>Direct transfers</b>	<b>2 068</b>	<b>2 204</b>	<b>2 434</b>	<b>2 532</b>	<b>2 072</b>	<b>2 116</b>	<b>2 213</b>
Municipal disaster response	151	330	517	745	378	395	413
Municipal emergency housing	166	66	53	–	–	–	–
Infrastructure skills development	144	155	159	151	165	173	181
Local government financial management	545	552	566	569	582	590	617
Programme and project preparation support	314	341	361	319	386	391	409
Expanded public works programme integrated grant for municipalities	748	759	778	749	560	567	593
<b>Indirect transfers</b>	<b>28</b>	<b>46</b>	<b>64</b>	<b>147</b>	<b>145</b>	<b>151</b>	<b>158</b>
Municipal systems improvement	28	46	64	147	145	151	158
<b>Total</b>	<b>2 096</b>	<b>2 250</b>	<b>2 498</b>	<b>2 679</b>	<b>2 216</b>	<b>2 267</b>	<b>2 371</b>

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 over a multi-year period, with the aim of retaining their skills. 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. This grant prioritises supporting municipalities with challenges in processes, procedures and systems to effectively implement the act and to improve compliance and areas of weakness identified in the financial management capability maturity model. The grant also supports municipalities in the implementation of the Municipal Finance Management Act and provides funds for the implementation of the municipal standard chart of accounts. Over the 2024 MTEF period, R1.8 billion is allocated to this grant.

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*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 under the relevant supervision in municipalities or entities 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. The grant aims to collaborate with other sectors, such as the Department of Water and Sanitation and the Department of Cooperative Governance, with the primary objective of improving *infrastructure skills development grant* services. A memorandum of agreement must be established in instances where a graduate is placed in another entity (private or public). The grant is allocated R519 million over the 2024 MTEF period, with an allocation of R165 million in 2024/25, R173 million in 2025/26 and R181 million in 2026/27.

*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 R454 million over the 2024 MTEF period and grow at an average annual rate of 2.6 per cent.

Over the next three years, the grant will continue to prioritise the institutionalisation of the district development model adopted by Cabinet in August 2019. The model is intended to improve coordination between national, provincial and local government, focusing on the municipal district and metropolitan spaces as the impact areas of joint planning, budgeting and implementation. In 2024/25, the grant will fund:

- Comprehensive institutional diagnostic assessments of the 21 district municipalities that are water service authorities. The purpose of the diagnostic assessments is to determine skills, systems, performance, institutional gaps and the main constraints impeding effective municipal performance.
- The development of institutional improvement and support plans that will inform all future capacity development programmes, towards institutionalisation of the district development model and implementation of One Plans – integrated plans that align resources and efforts across the three spheres of government and stakeholders to develop designated districts.

*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

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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 based on this performance as well as the labour intensity of the work opportunities created. The number of bands in which labour intensity is recorded in the formula has 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 is allocated R1.7 billion over the 2024 MTEF period, with an allocation of R560 million in 2024/25, R567 million in 2025/26 and R593 million in 2026/27.

*Municipal disaster response grant*

The *municipal disaster response 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 response 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.

Over the 2024 MTEF period, R1.2 billion is available for disbursement through this grant: R378 million in 2024/25, R395 million in 2025/26 and R413 million in 2026/27. The grant decreases by an average annual rate of 17.8 per cent. This is due to the additional funding of R372 million that was added in 2023/24 following the depletion of this grant by the time of the 2023 MTBPS.

To ensure that sufficient funds are available to respond to disasters, section 20(7) 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 smart prepaid meter rollout grant*

A new conditional grant focused on the rollout of smart prepaid meters has been introduced as part of the 2024 Budget. This grant will complement the Municipal Debt to Eskom relief measures and will target municipalities already part of the programme. The purpose of this grant is to provide better efficiency in energy provision and the integration of renewable energy to meet consumer demands. Apart from aiding these objectives, smart grid technologies can also help municipalities protect existing revenue and optimise overall revenue collection from their existing bases. In light of this, this new grant will fund the initial capital outlay and operational expenditure required to implement smart systems that integrate with existing local financial systems. The grant will initially focus on those municipalities that the National Treasury has approved for municipal debt relief.

The grant is expected to progressively extend across municipalities to help improve financial sustainability and management.

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To manage distributions, the National Treasury will manage this grant as an indirect grant and set up a transversal contract to manage quality and costs. A total of R2 billion has been allocated towards this grant, with R500 million set for 2024/25, R650 million for 2025/26 and R800 million for 2026/27 over the medium term. By implementing this grant, municipalities will efficiently provide crucial public services and function sustainably while maintaining financial stability.

### **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 over the 2024 MTEF period 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**

##### *Review of the conditional grants system*

The review was initiated after concerns were raised regarding the effectiveness of the existing grant system, including frequent underspending on infrastructure grants and duplication and fragmentation in both the provincial and municipal grant systems. The review aims to assess whether the existing grant system is optimally structured to provide efficient service delivery, roll out infrastructure, build capacity and provide operational support.

A thorough stakeholder consultation process was conducted to ensure that the review addresses the identified concerns adequately. Literature reviews were conducted in identified research areas to gain insights into conditional grant programs and recent trends. The findings from the research and consultations are being used to make evidence-based recommendations for reform.

The review process for the conditional grants has reached a significant milestone. The preliminary findings have been shared with the multi-stakeholder team, who have provided inputs that are being factored into the review document. In addition, various other reforms have emanated from the review, which are being discussed with affected sectors. As part of these reforms, the 2024/25 conditional grant frameworks were amended to signal the changes that are likely to be introduced.

The proposed reforms will be considered in the 2025 budget process, with no large-scale changes to conditional grants in the 2024 budget. The amended conditional grant frameworks will signal the changes that are likely to be introduced.

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*Improving intergovernmental coordination on infrastructure investment*

To transform South Africa's spatial development patterns, intergovernmental coordination in planning and budgeting for infrastructure needs to be significantly improved. The National Treasury is partnering with provinces to ensure that investments in schools, roads, health facilities and housing are made in locations that align with municipalities' spatial development plans. Municipalities are consulted and must agree on the location and bulk services requirements for provincial infrastructure projects. This joint planning is in line with the Cabinet-approved district development model, and support will continue into 2024/25. National departments will also be supported to review policies and funding strategies to promote better alignment with spatial development frameworks.

One of the key efforts to improve intergovernmental coordination and infrastructure investment is the customisation of the infrastructure delivery management system for local government. This is under way in eight pilot municipalities with support from the government of Switzerland. The process will result in a local government infrastructure delivery management system toolkit applicable to all municipalities except metropolitan municipalities, which already have the city infrastructure delivery management system. The infrastructure reporting model is also being customised for implementation in six pilot municipalities, enabling a coordinated process of infrastructure delivery and reporting. The Framework for Infrastructure Delivery and Procurement Management sets out minimum requirements for infrastructure delivery compliance and training support is provided to practitioners. Ultimately, these initiatives aim to ensure cost-effective and efficient infrastructure delivery, with reporting incorporated into the Municipal Standard Chart of Accounts.

In 2024/25, the infrastructure reporting model will expand to cover all spheres of government, becoming the only infrastructure reporting framework for the country. The model currently supports reporting against 15 518 provincial projects totalling R71 billion, with amounts set to increase after testing and piloting the local government infrastructure reporting model. The National Treasury has also secured accredited training for up to 1 200 people on infrastructure delivery processes through the Public Service Sector Education and Training Authority to ensure the successful implementation of these important initiatives.

*Review of the disaster management system*

A two-pronged approach was adopted to implement Cabinet's recommendation to review the national disaster management system. The National Disaster Management Centre appointed a service provider to produce a synthesis report, which would inform the system review. Simultaneously, the Department of Planning, Monitoring and Evaluation assumed the responsibility of benchmarking against selected countries.

Mainstreaming disaster management in the Medium Term Strategic Framework of the new administration will help ensure that disaster management becomes an integral part of future planning processes. This approach will reduce disaster risks through systematic efforts to analyse and manage the causal factors of disasters, including reduced exposure to hazards,

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lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness across the three spheres of government.

However, climate change will make extreme weather events more common, and the disaster funding system needs to adapt. In 2024/25, the National Treasury will continue to work with the National Disaster Management Centre to review the funding of disaster response and recovery activities. The current funding system is designed for the rapid release of funds following a declaration of disaster. The review needs to address problems and inefficiencies within the existing system while placing greater emphasis on being prepared before disasters occur and responding better to disasters that may last for several years, such as drought conditions.

### **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. All components of the formula will be assessed, and changes are phased into the formula at every stage of the review as it is carried out.

In line with this approach, substantial changes were made in previous years to the education and health components. For the education component, following the assessment of the datasets that inform the equitable share formula, changes were made to the data that informs the learner enrolment numbers and the school-going age population. School enrolment numbers are now taken from the LURITS, following the improvement in the collection and tracking method of scholars by the Department of Basic Education. Previously the Census data was used to capture the school-going age population within the same component. This has since been replaced with Statistics South Africa's mid-year population estimates. These numbers are more up to date and will assist with mitigating significant changes in data between Census updates.

Similarly, changes were made recently in the health component. In 2022, a redesigned risk-adjusted index was introduced into the formula to inform the allocation methodology of the health component. The index of each province's risk profile accounts for the relative cost of providing health care services for members of the general population. In addition, it accounts for the general burden of disease, the additional burden associated with providing healthcare services to women and the additional cost of providing health care services in areas with low population density.

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The work on exploring options available to improve the current structure of the education component will continue in 2024. In the previous year, technical work was carried out on how different funding needs of different types of schools and learners may be accounted for in the formula. This work was done in collaboration with the Department of Basic Education. The rest of this year will focus on taking forward the consultations that are under way. The aim is to conclude these in time to make changes to the education component in the next Budget.

*Preparing for national health insurance implementation*

The National Health Insurance Bill has been passed by the National Assembly and the National Council of Provinces. It is not yet assented to by the President and it is unclear which clauses will come into effect when. Preparatory work towards the progressive implementation of national health insurance will continue. The establishment of the National Health Insurance Fund will only be considered once the bill is enacted and listed as a 3A public entity in terms of the Public Finance Management Act. The bill will have profound implications for the division of health functions across the three spheres of government, including health financing. These may include relatively early changes in certain direct conditional grants and, in later phases, shifting parts of the grants (including the *provincial equitable share*) via this fund. This will be considered through consultative structures, particularly the Technical Committee on Finance.

In parallel, the health sector will continue to strengthen the health system. This includes work on strategic purchasing, including developing and piloting provider payment mechanisms, expanding the national insurance beneficiary registry, and buying and providing a prioritised set of health services. The quality improvement initiative, funded through the health systems component of *the national health insurance indirect grant*, will help facilities meet the envisaged standards required for national health insurance accreditation.

**Review of the local government fiscal framework***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.

A working group, comprising the Department of Cooperative Governance, the National Treasury and SALGA, with technical support from the FFC and Statistics South Africa, has identified areas for possible refinements that could not be accommodated in the 2012/13 formula review due to data availability.



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Over the 2024 MTEF period, the National Treasury, with the support of the working group, will undertake the following reforms to refine the *local government equitable share* formula:

- Basic services component: Review the possibility of introducing a cost differential model, which takes into account factors such as distances, topography and settlement type.
- Community services component: Introduce a separate component in the *local government equitable share* for municipal health services, and an explicit sub-component for the firefighting function.
- Institutional component: Develop an objective criterion that municipalities can be benchmarked against in relation to their administrative functions and the policy options related to financing infrastructure in small and rural municipalities.

*Review of the municipal capacity-building system*

As part of the ongoing review of local government capacity-building programmes, the National Treasury, the Department of Cooperative Governance, SALGA and the FFC will work closely to implement the reforms agreed to through the review, including:

- Following a change management approach to tackling systems within the broader local government capacity-building system, starting with an inward approach within the National Treasury.
- Building on existing National Treasury work and seeking improvements in capacity building in parallel with new capability development initiatives.
- Following a new framework for sustainable capability development that emphasises collaboration, a problem-led approach and a whole-municipality (fully integrated) approach.
- Improving the administration of capacity-building grants and programmes, including rationalising them.

*Improving efficiency of urban utility services*

Due to years of neglect and inadequate maintenance, South Africa's municipalities face severe utility services issues, including in water, wastewater and electricity. A loss of essential management and technical skills has also contributed to the decline in service quality and reliability. Metro water services alone suffer from an investment gap of R9 billion per year. These inefficiencies threaten economic growth and job creation and increase poverty. Government transferred R61.7 billion to local government in the 2023 Budget to support water services, but the outcome and value for money of these transfers is low. To address this, an incentive grant system is being explored for 2025/26 to increase investments, change management and governance structures, promote professional management and ensure transparency, starting with metros.

The grant reforms will aim to:

- Increase the level of investments in utility services (water, wastewater, electricity and solid waste) by leveraging grant finance with loan finance, linked to improved operational and financial performance of services providers.

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- Catalyse changes in the structure, management, and governance of utility services businesses to support improvements in operational, technical and financial performance.
- Promote professional management with a single point of management accountability for utility services in cities, suitable managerial autonomy and the technical skills necessary to manage an effective service.
- Promote and ensure full financial transparency, including by making the financial relationship between municipalities and the utility services explicit.

**Reforms to local government own revenue sources**

Municipalities play an important role in driving economic growth and facilitating job creation through the provision of efficient and well-managed infrastructure services. Unfortunately, the task of constructing infrastructure to meet the demands of a rapidly urbanising population and supporting growth has become increasingly challenging for municipalities. In light of this, the National Treasury is taking an active role in exploring alternative financing options for municipalities with higher revenue bases to supplement conventional infrastructure funding sources. The National Treasury is committed to implementing the reforms outlined below to address these challenges.

*Norms and standards for electricity surcharges*

The National Treasury is taking steps to develop compulsory national norms and standards for regulating municipal surcharges on electricity, and to identify alternative sources of revenue that can replace these surcharges.

The process municipalities need to follow to levy surcharges remains unclear, which has led to some municipalities being legally challenged when imposing these surcharges. With electricity being the largest component of service charges from which municipalities generate their revenue, it is crucial to identify sustainable revenue sources. The declining reliability of supply and increasing electricity prices, along with a gradual shift to renewable energy sources by households and businesses, has led to structural changes in the municipal electricity market that requires the reconsideration of charging and revenue collection processes.

This process began in May 2022, and the National Treasury is reviewing the draft report. Once approved, this report will be subjected to consultation with relevant external stakeholders.

*Development charges*

Development charges are important components of a sustainable municipal infrastructure financing system, especially for cities and large urban municipalities, as they are used to finance the provision of infrastructure resulting from land intensification. Despite their potential as an alternative option to finance infrastructure, municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. To address this uncertainty, amendments to the Municipal Fiscal Powers and Functions Act (2007) are proposed. The Municipal Fiscal Powers and Functions Amendment Bill proposes uniform regulations for levying development charges. This will allow municipalities to mobilise their own revenue resources to fund their infrastructure needs and support economic growth. Once enacted, these amendments will create legal certainty for municipalities to levy

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development charges, regulate their applicability and create a more standardised, equitable and sustainable framework for development charges.

The Municipal Fiscal Powers and Functions Amendment Bill was tabled in Parliament in September 2022. Parallel to this process, a service provider has been appointed to undertake a capacity assessment of different categories of municipalities to implement development charges. The purpose of this assessment is to ensure that municipalities have the capacity to implement development charges once the bill has been enacted. To date, various tools (including guidelines, policies and calculators) have been developed. The National Treasury organised municipal development charges workshops in October 2023 to train municipalities on using these tools. The National Treasury will issue regulations following the enactment of the amendment bill.

*Municipal borrowing*

Government is witnessing a steady rise in outstanding municipal long-term debt, which has grown at an average annual rate of 5.5 per cent over the last 23 years. Long-term debt has increased from R20.3 billion in 1999/2000 to R70.1 billion at the end of 2022/23. Municipalities usually seek funds through loans and securities (municipal bonds), and municipal loan debt increased faster than bonds. Municipal bonds grew at a slower pace, increasing from R9.8 billion to only R12.2 billion in the same period.

The increased participation of financiers in the municipal debt market notwithstanding, unlocking financing for bulk infrastructure to drive economic growth remains a challenge. To tackle this challenge, the Development Bank of Southern Africa has introduced a product called Project Vumela, which blends municipal revenue sources with financing from development finance institutions and commercial financiers. The Vumela product is intended to raise funds for the bulk infrastructure required for a range of services, such as water, sanitation, roads and stormwater, electricity and solid waste. The special purpose vehicle managed by the bank will raise financing and ensures that borrowing capacity within municipalities remains intact. Financing will be secured against future revenues emanating from these developments, including development charges, grants allocated by municipalities to the project and an increase in property rates.

This Development Bank of Southern Africa project has been endorsed by the National Treasury to complement a wide range of initiatives aimed at increasing investment in infrastructure. The National Treasury is confident that Project Vumela will be critical in increasing investment in bulk infrastructure, furthering economic growth and improving the quality of life for South Africans.

The National Treasury continues to publish the Municipal Borrowing Bulletin on a quarterly basis. Copies can be obtained from [www.mfma.treasury.gov.za](http://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 for each grant in Schedule 4, Part A; Schedule 5, Part A; Schedule 6, Part A; and Schedule 7, Part A of the 2024 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
- 2024 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving provinces
- Process for approval of business plans for 2025/26

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, 2024 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2024/25 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

<b>Comprehensive Agricultural Support Programme Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Land Reform and Rural Development (Vote 29)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To create a favourable and supportive agricultural services environment for the farming community, in particular subsistence and smallholder farmers and distressed commercial farmers within strategically identified grain, livestock and horticulture production areas</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide effective and coordinated agricultural support services through collaborations with industry transformation initiatives where possible</li> <li>• To promote and facilitate agricultural development by targeting beneficiaries of land reform and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export</li> <li>• To revitalise agricultural colleges into centres of excellence</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Broadened access to agricultural support for black subsistence, smallholder and distressed commercial farmers</li> <li>• Increased number of sustainable and profitable black producers in horticulture, grains, livestock, fibre and aquaculture value chains</li> <li>• Increased capacity to support and oversee productivity and farming efficiency of beneficiaries of the Comprehensive Agricultural Support Programme (CASP)</li> <li>• Improved systems required for the maintenance of a foot and mouth disease free status as prescribed by the World Organisation for Animal Health</li> <li>• Increased wealth creation and sustainable employment in rural areas</li> <li>• Increased access to formal and institutional markets by beneficiaries of CASP</li> <li>• Improved household and national food security</li> <li>• Reliable and accurate agricultural information available for management decision making</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• On and off-farm infrastructure provided and repaired, including agro-processing infrastructure</li> <li>• Number of farmers supported per category (subsistence, smallholder and commercial) and per commodity</li> <li>• 50 per cent women, 40 per cent youth and 6 per cent people living with disabilities (farmers supported per category)</li> <li>• Quantity of output (tons) produced by beneficiaries of CASP per commodity</li> <li>• Number of beneficiaries of CASP that are South African Good Agricultural Practices certified</li> <li>• Number of jobs created</li> <li>• Number of unemployed graduates placed on commercial farms</li> <li>• Number of beneficiaries of CASP trained on farming methods or opportunities along the value chain</li> <li>• Percentage of CASP beneficiaries with access to formal and institutional markets</li> <li>• 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</li> <li>• Physical boundary between the foot and mouth disease free zone and the protection zone provided and maintained</li> <li>• Food and veterinary laboratory infrastructure, including quality systems accreditation, revitalised in eight provinces (except Gauteng)</li> <li>• Number of animals vaccinated for foot and mouth disease in Limpopo and Mpumalanga</li> <li>• Number of extension officers recruited and/or maintained in the system</li> <li>• Number of extension officers trained or deployed to commodity organisations</li> <li>• Partnerships with commodity organisations</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 2: Economic transformation and job creation</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Outputs indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Monitoring framework</li> <li>• Risks and mitigation strategies</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• At least 70 per cent of the project allocation must support infrastructure development for production areas prioritised in the Agriculture and Agro-processing Master Plan</li> <li>• At least 10 per cent of the project allocation must be spent on market access and development</li> <li>• 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</li> <li>• At least 1 000 unemployed agricultural graduates should be placed in commercial farms nationally as follows: <ul style="list-style-type: none"> <li>○ Gauteng and Northern Cape must place at least 80 graduates each</li> <li>○ the remainder of the provinces must place at least 120 graduates each</li> <li>○ all graduates must be employed at a rate of R87 000 per annum</li> </ul> </li> <li>• Provinces should prioritise and implement livestock production schemes especially those aligned to Kaonafatso ya Dikgomo in partnership with the Agricultural Research Council</li> </ul>

<b>Comprehensive Agricultural Support Programme Grant</b>	
	<ul style="list-style-type: none"> <li>• The farmers supported must be linked to, but not limited to, commodity organisations including the commercial and emerging commodity organisations. The province should have formal partnership agreements with these commodity organisations to ensure appropriate support is provided to farmers (i.e. specialised technical support, joint funding, access to markets and joint implementation as outlined by the dynamic business model)</li> <li>• 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</li> <li>• All assisted farmers should be listed or registered in the provincial and national project registers</li> <li>• The Department of Agriculture, Land Reform and Rural Development (DALRRD) will reprioritise the allocated funds on the following basis: <ul style="list-style-type: none"> <li>○ 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</li> <li>○ in the event of a disaster that affects the implementation of approved plans</li> <li>○ provinces not adhering to the CASP standard operating procedure framework when implementing projects or implementing projects that are not approved by DALRRD</li> </ul> </li> <li>• The funds will be transferred as per the disbursement schedule approved by National Treasury</li> <li>• Provinces must inform the transferring officer of any proposed changes to the business plans. Such changes must be approved by the transferring officer before they are implemented</li> <li>• The provincial business plans must be signed-off by the heads of departments of the provincial agriculture departments in collaboration with Chief Financial Officers or their representatives, and must be co-signed by the heads of provincial treasuries</li> <li>• The signed business plan for CASP must be submitted to the DALRRD for approval</li> <li>• The project list contained in the business plan must be submitted in the provincial infrastructure reporting model</li> <li>• The allocations for agricultural colleges must only be used to revitalise infrastructure and equipment at these colleges, as determined in the business plan</li> <li>• An amount of R86 million is allocated to KwaZulu-Natal through the Budget Facility for Infrastructure for KwaZulu-Natal agri-hubs. These funds may only be used for that purpose</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The formula used to allocate funds is a weighted average of the following variables: agricultural land area, households involved in agriculture (General Household Survey 2019 report), previous CASP performance and current benchmarks on production and national policy imperatives</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R1.6 billion of which R39 million were approved rollovers and R1.5 billion (90 per cent) was spent</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 12 165 subsistence farmers supported</li> <li>• 7 645 smallholder farmers supported</li> <li>• 79 black commercial farmers supported</li> <li>• Beneficiaries were supported from 452 projects implemented, with 298 projects completed at the end of the financial year</li> <li>• 77 (17 per cent) supported projects were owned by youth and 234 (52 per cent) were owned by women</li> <li>• 49 per cent of beneficiaries supported were women, 14 per cent were youth and 0.2 per cent were people with disabilities</li> <li>• On and off farm infrastructure delivered include 489 irrigation systems, 8 stock and irrigation dams, 39 boreholes, 37 stock water structures, 34 stock handling facilities, 16 projects of solar systems erected, 16 dipping tanks, five small stock structures, four poultry structures, one abattoir, four feedlots, 549,5 km of fencing, two pack houses, 52 storage facilities, 65 vet structures revamped, 63 ablution facilities, 27 hydroponic structures, animal and tractor tracking systems</li> <li>• 4 629 jobs created</li> <li>• Foot and mouth disease control deliverables: 100 000 animals were vaccinated in Mpumalanga and 105 000 animals vaccinated in Limpopo; two holding camps, guard shelters, office space and promotion of dipping activities were done in KwaZulu-Natal</li> <li>• 12 030 farmers benefitted from Kaonafatso ya Dikgomo programme</li> <li>• 80 farms were audited for South African good agricultural practices certification and 50 farms were certified, while 53 farms were re-certified</li> <li>• 39 per cent of the smallholder farmers supported had access to formal markets</li> <li>• 26 704 farmers were trained in targeted training programmes, 52 per cent trained were women, 40 per cent trained were youth and 0.5 per cent trained were people with disabilities</li> <li>• 794 beneficiaries of CASP were supported with mentorship</li> <li>• 985 agricultural graduates were placed on commercial farms for a period of two years as part of the youth entrepreneurial programme</li> <li>• 162 extension officers were recruited nationally and 250 maintained in the system</li> <li>• 10 agricultural colleges upgrading infrastructure (ongoing)</li> </ul>

<b>Comprehensive Agricultural Support Programme Grant</b>	
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R1.7 billion; 2025/26: R1.8 billion and 2026/27: R1.8 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments: 10 May 2024, 26 August 2024, 28 October 2024; and 24 January 2025</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2024/25</li> <li>• Provide the guidelines and criteria for the development, approval and implementation of business plans</li> <li>• Provide a template for project registration and reporting</li> <li>• CASP transfers (planned, actual and revised) related to infrastructure projects must be reported in the national infrastructure reporting model</li> <li>• Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly</li> <li>• Submit monthly financial reports to National Treasury 20 days after the end of the month</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Submit an annual evaluation performance report to National Treasury within four months after the end of the financial year</li> <li>• Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces to adhere to the conditions of this framework and the 2024 Division of Revenue Act</li> <li>• Provinces to submit a detailed project list and project profiles as per the DALRRD project list template</li> <li>• Provinces must report infrastructure projects and related infrastructure support funded through CASP in the provincial infrastructure reporting model monthly and quarterly</li> <li>• Provinces to implement the CASP business plans as approved</li> <li>• All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the 2024 Division of Revenue Act when executing projects as well as for reporting purposes</li> <li>• Provinces are 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</li> <li>• Submit quarterly project performance reports to DALRRD</li> <li>• Assign and delegate officials to manage and monitor the implementation of the programme before April 2024</li> <li>• Keep a record of projects supported</li> <li>• Monitor project implementation on a quarterly basis and evaluate the impact of projects in achieving CASP goals</li> <li>• Provinces to adhere to the approved CASP standard operating procedure framework</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 24 May 2024</li> <li>• Submission of provincial CASP business plans by provinces by 30 August 2024</li> <li>• Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2024 prior to final national assessment panel meeting</li> <li>• Evaluation and recommendation of business plans by national assessment panel between November 2024 and February 2025</li> <li>• Send funding agreements to provinces by February/March 2025 to be signed by heads of departments, Chief Financial Officers, and CASP coordinators</li> <li>• Approval of business plans by the transferring officer before 28 March 2025</li> <li>• Inform provinces of approval of the business plans by March or April 2024</li> <li>• Approval by the transferring officer regarding 2025/26 business planning process compliance during April 2025, and send to the National Treasury by end April 2025</li> </ul>

<b>Ilima/Letsema Projects Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Land Reform and Rural Development (Vote 29)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To reduce poverty through increased food production initiatives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production within strategically identified grain, livestock, horticulture and aquaculture production areas</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased agricultural production of field crops such as grains and oilseeds, livestock, horticulture, fibre and aquaculture at both household and national level</li> <li>• Improved access to production inputs</li> <li>• Number of black subsistence, smallholder and distressed commercial farmers supported</li> <li>• Increased quantities (tons) of agricultural commodities produced by smallholder and household farmers</li> <li>• Reduced underutilisation of land in high potential areas in the state-owned land and former homelands</li> <li>• Improved farm income (in rands)</li> <li>• Increased job opportunities</li> <li>• Reduced poverty and improved food security</li> <li>• Rehabilitated and expanded irrigation schemes</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Land under agricultural production (field crops such as grains and oilseeds, horticulture fibre, and livestock)</li> <li>• Beneficiaries/farmers supported by the grant per category</li> <li>• 50 per cent women, 40 per cent youth and 6 per cent people living with disabilities (farmers supported per category)</li> <li>• Superior breeding animals acquired and distributed to farmers</li> <li>• Job opportunities created</li> <li>• Hectares of rehabilitated and expanded irrigation schemes</li> <li>• Partnerships with commodity organisations</li> <li>• Community gardens supported</li> <li>• School gardens supported</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 2: Economic transformation and job creation</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Outputs indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Monitoring framework</li> <li>• Risks and mitigation strategies</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• Only commercial farmers in distress can receive production inputs from Ilima/Letsema to assist with their production and recovery</li> <li>• Partnerships with black commodity organisation should be prioritised for joint support, joint funding and joint implementation</li> <li>• At most 30 per cent of Ilima/Letsema allocations can be used for rehabilitation of irrigation schemes in Eastern Cape, Free State, Northern Cape, North West and KwaZulu-Natal provinces</li> <li>• All assisted farmers should be listed in the provincial and national farm registers</li> <li>• Provinces must inform the transferring officer of any proposed changes to business plans. Such changes must be approved by the transferring officer before they are implemented</li> <li>• The business plans must be signed-off by the heads of the provincial agriculture departments in collaboration with the Chief Financial Officers or their representatives, and co-signed by the heads of provincial treasuries</li> <li>• The signed business plans must be submitted to the Department of Agriculture, Land Reform and Rural Development (DALRRD) for approval</li> <li>• The project list contained in the business plan must be submitted in the provincial infrastructure reporting model by provinces utilising funds for irrigation schemes</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The formula used to allocate funds is a weighted average of the following variables: agricultural land available, previous homeland areas, households involved in agriculture (General Household Survey 2019), food insecure areas and national priority areas targeted for increased food production and previous Ilima/Letsema performance</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The funding originated with the special poverty allocations made by national government for a specific purpose and requires tight conditionality to achieve the national goal</li> <li>• 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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R610 million and transferred R610 million with approved roll over of R26 million and R594 million (97 per cent) was spent</li> </ul>



<b>Ilima/Letsema Projects Grant</b>	
	<p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 40 155 subsistence farmers supported</li> <li>• 18 659 smallholder farmers supported</li> <li>• 62 black commercial farmers supported</li> <li>• 18 577 jobs created</li> <li>• 38 192 households supported with starter packs and production inputs</li> <li>• 224 schools assisted to establish food gardens (Gauteng, Limpopo, North West and Western Cape)</li> <li>• 8 278 community food gardens established (Gauteng, Limpopo, Mpumalanga, North West and Western Cape)</li> <li>• 74 087 beneficiaries supported by the programme (57 per cent were women, 15 per cent were youth and 0.2 per cent were people with disabilities)</li> <li>• 82 176 hectares of land cultivated</li> <li>• Between three and seven tons per hectare of maize achieved</li> <li>• Vaalharts and Makhathini irrigation schemes were revitalised</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R448 million; 2025/26: R677 million; and 2026/27: R708 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments: 13 May 2024, 26 August 2024, 28 October 2024; and 27 January 2025</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Agree on outputs and targets with provincial departments in line with grant objectives for 2024/25</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Provide template for project registration and reporting</li> <li>• Transfers for infrastructure projects must be reported in the national infrastructure reporting model</li> <li>• Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly</li> <li>• Submit monthly financial reports to National Treasury 20 days after the end of the month</li> <li>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>• Submit annual evaluation of performance report to National Treasury within four months after the end of the financial year</li> <li>• Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings</li> </ul>
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces to adhere to the conditions of this framework and the 2024 Division of Revenue Act</li> <li>• Provinces to submit detailed project list as per the DALRRD project list template</li> <li>• Provinces must report infrastructure projects and related infrastructure support funded through the grant in the provincial infrastructure reporting model monthly and quarterly</li> <li>• 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</li> <li>• Provinces to implement the Ilima/Letsema business plans as approved</li> <li>• All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the 2024 Division of Revenue Act when executing projects as well as for reporting purposes</li> <li>• Assign and delegate officials to manage and monitor implementation of the programme by 29 March 2024</li> <li>• Keep records of projects supported</li> <li>• Monitor project implementation on a quarterly basis and evaluate the impact of projects in achieving Ilima/Letsema goals</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 27 May 2024</li> <li>• Submission of provincial Ilima/Letsema business plans by provinces on 30 August 2024</li> <li>• Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2024 prior to final national assessment panel meeting</li> <li>• Evaluation and recommendation of business plans by national assessment panel between November 2024 and February 2025</li> <li>• Send funding agreements to provinces by February/March 2025 to be signed by heads of departments, Chief Financial Officers and Ilima/Letsema coordinators</li> <li>• Approval of business plans by the transferring officer before 28 March 2025</li> <li>• Inform provinces of approval of the business plans in March or April 2025</li> <li>• Approval by the transferring officer regarding 2025/26 business planning process compliance during April 2025, and send to National Treasury by the end of April 2025</li> </ul>

<b>LandCare Programme Grant: Poverty Relief and Infrastructure Development</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Agriculture, Land Reform and Rural Development (Vote 29)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To optimise productivity and sustainability of natural resources leading to greater productivity, food security, job creation and better quality of life for all</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To promote sustainable use and management of natural resources by engaging in 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</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved veld grazing and carrying capacity and livestock productivity</li> <li>• Improved production potential of arable land leading to increased yield</li> <li>• Improved quantity and quality of South Africa's water resources through projects in SoilCare, VeldCare, Conservation Agriculture and WaterCare focus areas of LandCare programmes</li> <li>• Improved youth participation in the agricultural sector through agricultural schools activities and intergenerational skills transfer to develop the capacity of youth as well as provide opportunity to learn agricultural skills and knowledge</li> <li>• Improved custodianship and stewardship of natural agricultural resources through community-based initiatives by all land users</li> <li>• Improved livelihoods of rural communities within the ambit of the green economy</li> <li>• Improved partnerships with private, public, non-governmental organisations and community sectors</li> <li>• Improved knowledge and skills base of participants and land users</li> <li>• Enhanced ecosystem services and biodiversity for current and future generations</li> <li>• Improved governance of natural agricultural resources of the country</li> <li>• <b>Improve policy and legislative frameworks for natural agricultural resources management</b></li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Hectares of rangeland protected and rehabilitated</li> <li>• Hectares of arable land protected and rehabilitated</li> <li>• Hectares of land under conservation agriculture</li> <li>• Number of farmers using conservation agriculture</li> <li>• Number of youths and agricultural schools successfully attended all the organised Junior LandCare initiatives</li> <li>• Number of hectares of land where water resources are protected and rehabilitated</li> <li>• Number of capacity building initiatives conducted for land carers and institutions</li> <li>• Number of people who benefited from capacity building initiatives</li> <li>• Number of awareness campaigns conducted</li> <li>• Number of people more aware of sustainable use of natural agricultural resources</li> <li>• Hectares of land where weeds and invader plants are under control</li> <li>• Hectares of land where bush encroachment is under control</li> <li>• Number of kilometres of fence erected</li> <li>• Number of green jobs created expressed as full-time equivalents</li> <li>• Number of LandCare committees established</li> <li>• Number of protocols, guidelines, strategies, policy and legislative frameworks developed for natural resources management</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 2: Economic transformation and job creation</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Project header</li> <li>• Project background</li> <li>• Farm plan map</li> <li>• Farm management plan detail</li> <li>• Beneficiaries and job creation</li> <li>• Change pathways</li> <li>• Pre-project assessment</li> <li>• Risk assessment</li> <li>• Implementation map</li> <li>• Implementation details</li> <li>• Exit strategy</li> <li>• Monitoring and evaluation</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Provinces must confirm capacity to implement projects before funds can be transferred</li> <li>• Provincial departments annual evaluations must be submitted two months after the end of the financial year using an approved LandCare template</li> <li>• The impact (before and after) of the LandCare programme should also be quantified during initiation, implementation and handing-over phases of the projects</li> <li>• Projects should be implemented guided by farm management plan in terms of Conservation of Agricultural Resources Act</li> <li>• Provinces should report signed financial performance per project on the 15th of every month in compliance with the 2024 Division of Revenue Act. Provinces should report on the number of jobs created 15 days</li> </ul>

<b>LandCare Programme Grant: Poverty Relief and Infrastructure Development</b>	
	<p>after the end of each month using an approved LandCare template. The number of jobs created should further be reported on the Expanded Public Works Programme reporting system</p> <ul style="list-style-type: none"> <li>• Projects should adhere to the reporting dates as stipulated in the 2024 Division of Revenue Act and furthermore adhere to dates as agreed during the quarterly meetings and national LandCare secretariat</li> <li>• Provinces should submit their portfolio of evidence (acknowledgement letters, project maps etc.) 30 days after the end of quarter to national LandCare secretariat. The report should be in line with quarterly and monthly reports</li> <li>• Provinces should undertake skill audit of beneficiaries, provide training, and submit reports to the national Department of Agriculture, Land Reform and Rural Development (DALRRD)</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on an index comprising of nodes, land capability, poverty, degradation and land size derived from the following sources: <ul style="list-style-type: none"> <li>○ nodes of the most deprived wards in the country</li> <li>○ land capability: total hectares class I, II and III (spatial analysis - land capability data)</li> <li>○ size: hectares (new boundaries from the Municipal Demarcation Board)</li> <li>○ poverty: poverty gap based on food poverty line of Statistic South Africa Living Conditions Survey 2018</li> <li>○ land degradation: hectares (Land Degradation Report 2018)</li> <li>○ policy imperatives and development for sustainable land management</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The funding originated with the special poverty allocations made by national government for a specific purpose</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R85 million and transferred R85 million to provinces, of which provinces spent R75 million (88 per cent) by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 40 194 hectares of rangeland protected and rehabilitated</li> <li>• 659 hectares of arable land protected and rehabilitated</li> <li>• 8 349.25 hectares of land under conservation agriculture</li> <li>• 5 673 youths successfully attending organised Junior LandCare initiatives</li> <li>• 65 household and school food gardens established through Junior LandCare</li> <li>• 6 water sources developed or protected against over-utilisation</li> <li>• 45 capacity building initiatives conducted for Land Carers</li> <li>• 1 100 people with improved capacity and skill levels benefiting from capacity building initiatives</li> <li>• 49 awareness campaigns conducted and attended by Land Carers</li> <li>• 5 570 people more aware of sustainable use of natural resources</li> <li>• 17 218 hectares of land where weeds and invader plants are under control</li> <li>• 5 675 hectares of land where bush encroachment is controlled</li> <li>• 270 kilometres of fencing erected</li> <li>• 1 045.56 green jobs created expressed as full-time equivalents</li> <li>• 44 LandCare committees established</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant will be aligned with changes in the Expanded Public Works Programme, national planning framework report and policy developments within government</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R90 million; 2025/26: R94 million; and 2026/27: R99 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Allocation to provinces will be disbursed on a quarterly basis (April 2024, August 2024, October 2024; and January 2025)</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Host national assessment panel to assess the projects with the provincial departments in line with grant objectives for 2024/25</li> <li>• Review guidelines and standards for the implementation of the grant</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation through project site visits, reports, quarterly meetings with provinces and provide support to provinces</li> <li>• Submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter</li> <li>• Submit evaluation reports to the National Treasury within four months after the end of the financial year</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• 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 2024</li> <li>• Ensure that provinces organisational structure for programme 2 as prescribed by National Treasury is established and capacitated to manage LandCare and ensure adequate capacity of soil scientists, pasture scientists, land use planners, LandCare facilitators exists in the provinces to implement the LandCare projects</li> <li>• Submit signed monthly financial report on the 15th day of every month</li> <li>• Report jobs created to the DALRRD using the prescribed expanded public works programme reporting template/format within 15 days after the end of each month</li> <li>• Submit signed quarterly reports (non-financial) with portfolio of evidence 30 days after the end of each quarter on the progress of the projects</li> <li>• Province should further adhere to agreements approved quarterly meetings on performance reporting and any other matter related to natural resource management</li> </ul>

<b>LandCare Programme Grant: Poverty Relief and Infrastructure Development</b>	
	<ul style="list-style-type: none"> <li>• Implement projects according to the approved business plans. Deviation affecting outputs and budgets should first be communicated to the transferring officer in writing and approved before implementation</li> <li>• Hold provincial assessment panels, use multidisciplinary team to assess individual projects plans, use LandCare standard assessment criteria before submission of preliminary individual and provincial business plans to DALRRD by 31 October 2024</li> <li>• Monitor project implementation and evaluate the impacts of projects in achieving LandCare goals</li> <li>• Submit evaluation reports to DALRRD within two months after the end of the financial year</li> <li>• Ensure and support the upscaling of conservation agriculture practices within communities</li> <li>• Assist farmers with soil testing to improve and maintain soil health</li> <li>• Conduct training for farmers and officials on soil fertility and testing, veld survey tools and veld management</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• DALRRD must provide provincial departments with business plan formats and guidelines by July 2024</li> <li>• Engagement by DALRRD with provinces on business plans submission before provincial assessment panel and submission of signed business plans prior to the national assessment panel</li> <li>• Evaluation and recommendation of business plans by the national assessment panel before the end of March 2025</li> <li>• Interactions with provinces on the national assessment panel comments and final submission of signed individual and provincial business plans by the provinces prior to approval by Accounting Officer</li> <li>• Notify provinces of the approval of business plans before implementation</li> </ul>

## BASIC EDUCATION GRANTS

<b>Early Childhood Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To increase access to quality early childhood development (ECD) programmes for poor children</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To increase the number of poor children accessing subsidised ECD programmes</li> <li>To support ECD providers delivering an ECD programmes to meet basic health and safety requirements for registration</li> <li>To pilot the construction of new low cost ECD centres</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>The provision of ECD to poor children contributing towards universal access</li> <li>Improving health and safety conditions in which stimulation and early learning takes place</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>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"> <li>infrastructure component</li> <li>subsidy component</li> </ul> </li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components which contains the following:               <ul style="list-style-type: none"> <li>project background</li> <li>project objectives</li> <li>scope of the work</li> <li>deliverables and outputs to be achieved</li> <li>risk assessment with mitigation plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Conditional grant funding cannot be used to replace funding that provinces have previously allocated for ECD subsidies</li> <li>Each province may use a maximum of R6 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 ECD centres. Provinces may choose to use this amount from the allocation for either one of the components or both</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>As specified in the two grant component frameworks</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>To allow DBE 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 ensuring that the delivery and maintenance of any capital investment is coordinated in an efficient manner that is consistent with norms, standards and guidelines</li> <li>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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Of the total grant allocation of R1.2 billion, 75 per cent was transferred to provinces. Expenditure of R886 million (74.8 per cent) was spent by the end of the 17 November 2023</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>338 404 children benefitted from the subsidy</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R1.6 billion; 2025/26: R1.9 billion; and 2026/27: R2 billion allocated as follows:               <ul style="list-style-type: none"> <li>subsidy component: 2024/25: R1.4 billion; 2025/26: R1.8 billion; and 2026/27: 1.9 billion</li> <li>infrastructure component: 2024/25: R157 million; 2025/26: R162 million; and 2026/27: R169 million</li> </ul> </li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Quarterly instalments based on the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Review the standardised reporting framework and monitoring tool</li> <li>Review the standardised format for the business plans</li> <li>Assist the provincial departments of basic education with their planning</li> <li>Assess and approve the business plans submitted by provinces</li> <li>Monitor project progress and compliance to conditional grant framework</li> <li>Provide continuous monitoring and support to provinces</li> <li>Submit a monthly financial report to National Treasury 20 days after the end of the reporting month</li> <li>Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>Monitor the utilisation of the grant against the set outcomes and take appropriate action in cases of non-compliance with the framework</li> <li>Facilitate approval of the payment schedule and approval of in-year adjustments to the payment schedule</li> <li>The DBE will develop ECD infrastructure grant guidelines to be issued to the provinces by 29 March 2024</li> <li>Visit selected infrastructure sites in provinces</li> </ul>

<b>Early Childhood Development Grant</b>	
	<ul style="list-style-type: none"> <li>• Support provinces to improve infrastructure delivery capacity and systems</li> <li>• Provide guidance to provinces in planning and prioritisation</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submit approved business plans signed-off by the head of department to the DBE by 2 March 2024</li> <li>• Implement the business plan as approved by the DBE</li> <li>• Submit monthly financial reports to DBE 15 days after the end of the reporting month</li> <li>• Provinces must upload all ECD maintenance projects on the infrastructure reporting model and update it monthly</li> <li>• Submit quarterly performance reports to DBE within 30 days after the end of each quarter</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Engagement with provincial departments on submission of business plans between September 2024 and February 2025</li> <li>• Submit final provincial business plan, including cash flow projections and compliance certificates signed-off by the heads of departments for 2025/26 financial year to DBE by 14 February 2025</li> <li>• The transferring officer must approve provincial business plans by 2 April 2025</li> </ul>

<b>Early Childhood Development Grant: Infrastructure Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To increase access to quality early childhood development (ECD) programmes for poor children</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To support ECD providers delivering an ECD programme to meet basic health and safety requirements for registration</li> <li>• To pilot the construction of new low cost ECD centres</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• The provision of ECD services to poor children contributing towards universal access</li> <li>• Improving health and safety conditions in which stimulation and early learning takes place</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of conditionally registered ECD centres maintained</li> <li>• Number of unregistered ECD centres maintained</li> <li>• Number of new low cost ECD centres constructed</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components (subsidy and infrastructure) which contains the following: <ul style="list-style-type: none"> <li>○ project background</li> <li>○ project objectives</li> <li>○ scope of the work</li> <li>○ deliverables and outputs to be achieved</li> <li>○ risk assessment with mitigation plan</li> </ul> </li> </ul>
<b>Conditions</b>	<p><b>Maintenance and upgrading</b></p> <ul style="list-style-type: none"> <li>• This allocation may be used for: <ul style="list-style-type: none"> <li>○ unregistered ECD centres to do minor infrastructure maintenance works and upgrades to enable conditional registration</li> <li>○ conditionally registered ECD centres to do minor infrastructure maintenance works and upgrades to enable them to improve their registration status</li> </ul> </li> <li>• The following conditions apply in respect of the above: <ul style="list-style-type: none"> <li>○ 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 DBE</li> <li>○ all projects must be selected, planned and implemented in a manner consistent with the guideline issued by the DBE</li> <li>○ infrastructure units in the provinces must receive a list of selected ECD centres for maintenance or for new construction from program</li> <li>○ provinces must conduct assessments of conditionally registered and eligible unregistered ECD sites and cost them in order to qualify for funding in 2025/26 and submit by 30 September 2024</li> <li>○ for unregistered centres, a maximum amount of R210 000 per ECD centre may be spent for maintenance improvements, inclusive of all costs (Value Added Tax, disbursements etc)</li> <li>○ for conditionally registered centres a maximum amount of R500 000 per ECD centre may be spent for maintenance improvement and upgrades, inclusive of all costs (Value Added Tax, disbursements etc)</li> <li>○ prior approval for any amount exceeding more than 20 per cent of the maximum amount per centre should be obtained from the head of department or the Chief Financial Officer with a detailed assessment and cost analysis to justify the additional amount</li> <li>○ once the budget is allocated per province, a revised approved list for maintenance should be submitted by the province to DBE together with business plans</li> <li>○ all projects must be recorded on the infrastructure reporting model before the start of the financial year</li> <li>○ provinces must update the infrastructure project details for each funded project in the infrastructure reporting model. This must be approved and submitted to National Treasury and DBE within 22 days after the end of each quarter</li> </ul> </li> </ul> <p><b>New centre construction</b></p> <ul style="list-style-type: none"> <li>• This allocation may be used for: <ul style="list-style-type: none"> <li>○ construction of new low-cost ECD centres where existing structures must be replaced or to address new demand in areas where the need is the greatest</li> <li>○ a maximum of R3 million may be used for the construction of new ECD centres, inclusive of all costs. Prior approval for any amount exceeding more than 20 per cent of the maximum amount per centre should be obtained from the head of department or the Chief Financial Officer with a detailed assessment and cost analysis to justify the additional amount</li> </ul> </li> <li>• The construction of centres must be consistent with the guideline issued by the DBE</li> <li>• Every province must construct at least one ECD centre in 2024/25</li> <li>• Each province must include the number of ECD centres to be constructed and the costs for the construction in the business plan for 2024/25</li> <li>• All projects must be recorded on the infrastructure reporting model</li> </ul> <p><b>General conditions</b></p> <ul style="list-style-type: none"> <li>• DBE will develop guidelines for each of the areas listed above that must be issued to the provinces by 29 March 2024</li> <li>• All projects must be selected, planned and implemented in a manner consistent with the guideline issued by the DBE</li> </ul>

<b>Early Childhood Development Grant: Infrastructure Component</b>	
	<ul style="list-style-type: none"> <li>• Infrastructure units in the provinces must receive a list of selected ECD centres for maintenance or new construction from programme</li> <li>• Provinces must conduct assessments of conditionally registered ECD sites, eligible unregistered ECD sites and identified sites for new construction of ECD centre and cost them to qualify for funding in 2025/26 and submit by 30 September 2024</li> <li>• ECD centres must sign service level agreements with the provincial department before maintenance or new construction of a centre</li> <li>• ECD centres that benefited from the maintenance allocation must then make provision for continued maintenance of ECD centre</li> <li>• Provinces shall include all projects in the final infrastructure asset management plan to be submitted at the end of March 2024</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The provincial infrastructure allocations are determined based on: <ul style="list-style-type: none"> <li>○ a base allocation for the construction of at least one low cost ECD</li> <li>○ the allocation of the balance is based on the ECD census data</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• To allow DBE 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</li> <li>• ECD is a national priority and requires uniform implementation 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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the maintenance grant allocation of R97.7 million (100 per cent) was transferred to provinces. R64.7 million was spent by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 170 ECD centres benefited from the maintenance grant and 37 were rolled over into the 2023/24 financial year</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R157 million; 2025/26: R162 million; and 2026/27: R169 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Quarterly instalments according to approved payment schedule</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• DBE will develop ECD infrastructure grant guidelines for each of the two areas listed above that must be issued to the provinces by 29 March 2024</li> <li>• DBE will conduct monitoring on the grant, support provincial education departments and consolidate quarterly grant performance reports received from PEDs</li> <li>• DBE ensures all provinces adhere to norms and standards developed for ECD</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces must submit a draft list of all eligible ECD sites that have been assessed to benefit from the grant in 2025/26 to DBE by 30 September 2024</li> <li>• Provinces shall include all projects in the final infrastructure asset management plan to be submitted to the DBE at the end of March 2024</li> <li>• Provinces must provide a procurement plan on how they will implement their projects in the 2025/26 financial year by 30 November 2024</li> <li>• 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</li> <li>• Maintain a database of all ECD centres that have been assisted through the infrastructure component of the grant by the ECD infrastructure project manager</li> <li>• The ECD programme manager must maintain a database of all ECD centres that have improved their registration status</li> <li>• Provinces must record all infrastructure projects on the national infrastructure reporting model and education facilities management system</li> <li>• Provinces must adhere to the requirements in the ECD infrastructure grant guidelines issued by DBE in the implementation of the grant</li> <li>• Provincial education departments must comply with the framework for infrastructure delivery and procurement management in the planning and implementation of projects</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Engagement with provincial departments on submission of business plans between September 2024 and February 2025</li> <li>• Submit final provincial business plan, including cash flow projections and compliance certificate signed-off by heads of departments for 2024/25 financial year to the DBE by 14 February 2024</li> <li>• The transferring officer must approve provincial business plans by 2 April 2025</li> </ul>



<b>Early Childhood Development Grant: Subsidy Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To increase access to quality early childhood development (ECD) programmes for poor children</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To increase the number of poor children accessing subsidised ECD programmes</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• The provision of ECD programmes to poor children contributing towards universal access</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of eligible children subsidised, as agreed in the service level agreement (SLA)</li> <li>• Number of all children attending ECD programmes in fully registered ECD centres</li> <li>• Number of all children attending ECD programmes in conditionally registered ECD centres</li> <li>• Number of children subsidised from the conditional grant in fully registered ECD centres</li> <li>• Number of children subsidised from the conditional grant in conditionally registered ECD centres</li> <li>• Number of days subsidised for centre based programmes</li> <li>• Number of children subsidised through provincial own revenue including equitable share that are benefiting from the top-up grant in fully registered ECD programmes</li> <li>• Number of children subsidised through provincial own revenue including equitable share that are benefiting from the top-up grant in conditionally registered ECD programmes</li> <li>• Number of children subsidised from the equitable share in fully registered ECD centres</li> <li>• Number of children subsidised from the equitable share in conditionally registered ECD centres</li> <li>• Number of all children attending in fully registered non-centre based programmes</li> <li>• Number of all children attending in conditionally registered non-centre based programmes</li> <li>• Number of children subsidised from the conditional grant in fully registered non-centre based programmes</li> <li>• Number of children subsidised from the conditional grant in conditionally registered non-centre based programmes</li> <li>• Number of ECD practitioners and other staff employed in fully and conditionally registered ECD programmes benefiting from the conditional grant</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components (i.e. subsidy and infrastructure) which contains the following: <ul style="list-style-type: none"> <li>○ project background</li> <li>○ project objectives</li> <li>○ scope of the work</li> <li>○ deliverables and outputs to be achieved</li> <li>○ risk assessment with mitigation plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Only fully and conditionally registered ECD programmes (centre and non-centre-based) will be eligible for the subsidy</li> <li>• The subsidy is targeted for children 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</li> <li>• The provincial education departments and ECD programmes 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 education departments and ECD programmes with regard to the payment of the subsidy, compliance to funding and the reporting requirements</li> <li>• The value of the subsidy paid to each centre-based ECD programme is R17.00 multiplied by the number of days (264), multiplied by the number of qualifying children attending the centre-based ECD programme as agreed to in the SLA</li> <li>• The value of the subsidy paid to each registered non-centre based ECD programme is R6.00 multiplied by the number of sessions, multiplied by the number of qualifying children attending as agreed to in the SLA</li> <li>• 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</li> <li>• Once funds are transferred to an ECD programme, the department may not pre-approve how the funds are to be utilised other than what is stipulated in the SLA</li> <li>• All allocations must be aligned to the number of children as per the SLA and can only be reduced as per the process outlined in the SLA. Allocations must not be changed in-year, based on how many children attend</li> <li>• The subsidy must target qualifying children in centre and non-centre based programmes in line with the process set out below: <ul style="list-style-type: none"> <li>○ an ECD 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 programmes will not be subject to an individual means test and all children in these</li> </ul> </li> </ul>

<b>Early Childhood Development Grant: Subsidy Component</b>	
	<p>programmes must be taken into account when calculating the subsidy for the ECD programme</p> <ul style="list-style-type: none"> <li>○ if the child is attending an ECD programme falling outside of those municipal wards that have been identified for universal targeting of the subsidy, the subsidy will be targeted to an individual child using the means test criteria</li> <li>○ a child is eligible to be subsidised if her/his parents' income falls below the following prescribed test</li> </ul> <p><b>Income-based means test:</b></p> <ul style="list-style-type: none"> <li>● Income of parents or caregivers may not exceed the means test values applied for the receipt of the child support grant for a single parent and married parents as gazetted by the national Department of Social Development in 2023. This is updated each year with an increase in the grant value</li> <li>● In the case of children receiving a child related social assistance grant; 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</li> <li>● 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"> <li>○ proof of income of parents (or caregivers)</li> <li>○ three months bank statement of parents or guardians</li> <li>○ affidavit declaring status of income</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>● The provincial subsidy allocations are determined based on the gap between: <ul style="list-style-type: none"> <li>○ the number of poor children that should be accessing ECD subsidy</li> <li>○ the number of poor children currently accessing the ECD subsidy</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>● To allow DBE to better facilitate expansion of ECD services in the country</li> <li>● 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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>● Of the R1.1 billion on the subsidy component, 50 per cent has been transferred to provinces.</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>● 331 882 children benefitted from the subsidy</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● The grant will be allocated over the 2024 medium term expenditure framework period, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>● 2024/25: R1.4 billion; 2025/26: R1.8 billion; and 2026/27: R1.9 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● Quarterly instalments according to approved payment schedule</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>● Review standardised SLAs to be entered into between provincial departments of basic education and ECD programmes if necessary</li> <li>● Review the standardised business plan</li> <li>● Develop guidelines for the implementation of the ECD subsidy</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>● Conclude SLAs with ECD programmes in a format prescribed by the DBE</li> <li>● Ensure that payments are made in line with the payment schedule as per the SLAs with ECD programmes</li> <li>● Subsidies must be made into the ECD programmes designated bank accounts, which must be with a registered deposit taking institution in the Republic of South Africa</li> <li>● Subsidies may only be reduced in cases of non-compliance as outlined in the prescribed SLA</li> <li>● Use the information reported in the quarterly reports from ECD programmes to develop and maintain a master list of all children benefitting from the ECD subsidy</li> <li>● Maintain a database on the status of registration of all ECD programmes in the province that is inclusive of the following basic information: <ul style="list-style-type: none"> <li>○ registration status</li> <li>○ capacity of the centre</li> <li>○ number of children in attendance</li> <li>○ number of children subsidised</li> <li>○ number of children with disabilities subsidised</li> <li>○ number of children with disabilities in attendance</li> </ul> </li> </ul>
<b>Process for approval of the 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>● Engagement with provincial departments on submission of business plans between September 2024 and February 2025</li> <li>● Submit final provincial business plans for 2025/26 including cash flow projections and compliance certificates signed-off by heads of departments to DBE by 14 February 2025</li> <li>● The transferring officer must approve provincial business plans by 2 April 2025</li> </ul>

<b>Education Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 4, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation</li> <li>• To address achievement of the targets set out in the minimum norms and standards for school infrastructure</li> <li>• To address damages to infrastructure</li> <li>• To enhance capacity to deliver infrastructure in education</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved quality of education service delivery by provincial departments as a result of an improved and increased stock of school infrastructure</li> <li>• Aligned and coordinated approach to infrastructure development at the provincial sphere</li> <li>• Improved education infrastructure expenditure patterns</li> <li>• Improved response to the rehabilitation of school infrastructure</li> <li>• Improved rates of employment and skills development in the delivery of infrastructure</li> <li>• Improved safety in school facilities through occupational health and safety</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided</li> <li>• Number of existing schools' infrastructure upgraded and rehabilitated including schools constructed of asbestos material and other inappropriate material</li> <li>• Number of new and existing schools maintained</li> <li>• Number of disaster damaged school rehabilitated</li> <li>• Number of schools provided with water, sanitation, and electricity</li> <li>• Number of work opportunities created</li> <li>• Number of new special schools provided, and existing special and full-service schools upgraded and maintained</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses an infrastructure plan that includes: <ul style="list-style-type: none"> <li>○ the infrastructure programme management plan</li> <li>○ the procurement strategy</li> <li>○ the capacitation strategy</li> <li>○ the infrastructure reporting model</li> <li>○ the year-end evaluation report</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 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)</li> <li>• The flow of each instalment of the grant depends upon provinces submitting to national Department of Basic Education (DBE), provincial treasuries and National Treasury financial and non-financial performance reports on programmes partially and fully funded by the grant</li> <li>• The flow of the first instalment of the grant depends upon receipt by the DBE and provincial treasuries and National Treasury of: <ul style="list-style-type: none"> <li>○ approved and signed-off infrastructure plan with tabled prioritised project lists for the 2024 medium-term expenditure framework (MTEF) by no later than 25 March 2024. The infrastructure plan must, where applicable, also include the implementation plans for schools affected by natural disasters</li> <li>○ approved and signed-off infrastructure project list (Table B5) for the 2024 MTEF on the infrastructure reporting model</li> <li>○ preventative and corrective maintenance plan for all maintenance programmes over the 2024 MTEF period accompanied by a project list no later than 25 March 2024</li> </ul> </li> <li>• The flow of the second instalment depends upon receipt by DBE, provincial treasuries and National Treasury of the approved and signed-off: <ul style="list-style-type: none"> <li>○ monthly infrastructure reports in a format determined by the National Treasury and DBE</li> <li>○ a summary report on all projects that have reached practical completion and captured on the education facilities management system mobile application for the fourth quarter of the 2023/24 financial year no later than 29 April 2024</li> <li>○ 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 2023/24 financial year within 22 days after the end of the fourth quarter</li> </ul> </li> <li>• The flow of the third instalment is dependent upon receipt by DBE, 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"> <li>○ 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</li> </ul> </li> </ul>

<b>Education Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>○ the 2024/25 project list must be drawn from the prioritised project list for the MTEF tabled in 2023/24</li> <li>○ 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</li> <li>○ monthly infrastructure reports in the format determined by National Treasury and the DBE</li> <li>○ a summary report on all projects that have reached practical completion and captured on the education facilities management system mobile application for the first quarter of 2024/25 by 26 July 2024</li> <li>○ 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 2024/25 financial year within 22 days after the end of the first quarter</li> <li>○ the conditional grant year-end evaluation report on financial and non-financial performance no later than 27 May 2024</li> <li>● The flow of the fourth instalment is conditional upon receipt by the DBE and provincial treasuries and National Treasury of the approved and signed off: <ul style="list-style-type: none"> <li>○ monthly infrastructure reports in the format determined by National Treasury and the DBE</li> <li>○ a summary report on all projects that have reached practical completion and captured on the education facilities management system mobile application for the second quarter of 2024/25 by 25 October 2024</li> <li>○ infrastructure programme management plans for infrastructure programmes envisaged to commence within the period for the MTEF on a date specified in the performance-based approach guidelines</li> <li>○ procurement strategy for infrastructure programmes envisaged to commence within the period of the MTEF on a date specified in the performance-based approach guidelines</li> <li>○ 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 2024/25 financial year within 22 days after the end of the second quarter</li> </ul> </li> <li>● The flow of the fifth instalment is conditional upon receipt by the DBE, the relevant provincial treasuries and National Treasury on a date determined by National Treasury, of the approved and signed-off: <ul style="list-style-type: none"> <li>○ monthly infrastructure reports in the format determined by National Treasury and the DBE</li> <li>○ a summary report on all projects that have reached practical completion and captured on the education facilities management system mobile application for the third quarter of 2024/25 to DBE not later than 20 January 2025</li> <li>○ 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 2024/25 financial year within 22 days after the end of the third quarter</li> </ul> </li> <li>● Provincial education departments must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery funded from the grant</li> <li>● Provincial education departments must comply with the framework for infrastructure delivery and procurement management</li> <li>● 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</li> <li>● Provincial education departments should allocate no less than 60 per cent of the Education Infrastructure Grant allocation to address preventative and corrective maintenance at schools, which should appear as such on the infrastructure reporting model and MTEF database</li> <li>● Provincial education departments to prioritise and fund from the grant, the eradication of pit latrines and other unacceptable forms of sanitation</li> <li>● The grant allocation can be transferred to schools in line with the guidelines which will be issued by DBE</li> <li>● Provincial education departments to prioritise the rehabilitation of storm damaged schools, schools built of asbestos and other inappropriate material</li> <li>● In implementing the three streams model, provincial education departments to prioritise the planning for construction of technical schools and schools of skill as well as conversion of academic stream schools to vocational and occupational streams in 2024/25, for commissioning of projects in 2025/26</li> <li>● Provincial education departments may use multiple implementing agents when implementing projects funded from the grant</li> <li>● 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</li> <li>● 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</li> <li>● Provincial education departments must provide all the necessary equipment and furniture in the spaces provided when constructing new projects</li> <li>● 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</li> <li>● Provincial education departments to ensure cost-effectiveness as they implement infrastructure projects</li> </ul>

<b>Education Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>• The DBE approved 10-point plan must be implemented to ensure improvements in infrastructure delivery</li> <li>• Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of transfers</li> <li>• An amount of R503 million is allocated to Gauteng through the Budget Facility for Infrastructure for the construction of schools. These funds may only be used for this project and are subject to the conditions set out in the 2024 MTEF preliminary allocation letter to DBE</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations for 2024/25 are based on historical allocations for this grant</li> <li>• Allocations also include incentive-based allocations as described in part 4 to Annexure W1 of the 2024 Division of Revenue Bill</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Funding infrastructure through a conditional grant enables the national department to ensure the delivery and maintenance of education infrastructure in a coordinated and efficient manner, consistent with national norms and standards for school buildings</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the R12.5 billion allocated, R12.5 billion (100 per cent) was transferred to provinces of which R12.4 billion (96 per cent) was spent by the end of the national financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 2 710 teaching spaces and 72 administrative spaces provided</li> <li>• 1 398 maintenance projects, 474 water, 554 sanitation, 112 electricity and 102 fencing infrastructure projects</li> <li>• Completed five boarding facilities</li> <li>• The sector has provided a total of 19 new and replacement schools in provinces, while 87 schools commenced with construction</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R13.7 billion; 2025/26: R14.2 billion and 2026/27: R14.4 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Visit selected infrastructure sites in provinces</li> <li>• DBE and National Treasury to support provinces to improve infrastructure delivery capacity and systems</li> <li>• Provide guidance to provinces in planning and prioritisation</li> <li>• Issue guidelines on the capacitation process of infrastructure units as well as the conditions attached to the utilisation of the funding</li> <li>• 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</li> <li>• 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</li> <li>• Assess the reports submitted by provincial education departments and provide feedback before transferring the instalment</li> <li>• Submit reports to the National Treasury in terms of quarterly achievements by provincial education departments</li> <li>• Comply with the conditions of this grant framework and the relevant clauses within the stipulated time frames of the 2024 Division of Revenue Act</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Approve monthly provincial infrastructure reports on infrastructure programme in the infrastructure reporting model within 15 days after the end of each month and submit to the relevant provincial treasury and DBE</li> <li>• Submit a signed-off monthly provincial infrastructure report on infrastructure programmes in the infrastructure reporting model within 22 days after the end of each month to the relevant provincial treasury, DBE and National Treasury</li> <li>• Comply with the conditions of this grant framework and the relevant clauses within the stipulated time frames in 2024 Division of Revenue Act</li> <li>• Submit quarterly capacitation reports within 22 days after the end of each quarter</li> <li>• Ensure that section 42 transfers as per the Public Finance Management Act are effected</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• The process for approval for the 2025 MTEF allocations will be in line with the performance-based incentive approach guidelines published by National Treasury</li> </ul>

<b>HIV and AIDS (Life Skills Education) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Addressing social and structural drivers of HIV, sexually transmitted infections (STIs) and tuberculosis (TB) prevention, care and impact</li> <li>• Contribute to preventing new HIV, STIs and TB infections</li> <li>• 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</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To support South Africa's HIV prevention strategy by: <ul style="list-style-type: none"> <li>○ providing comprehensive sexuality education and access to sexual and reproductive health services to learners</li> <li>○ supporting the provision of employee health and wellness programmes for educators</li> </ul> </li> <li>• To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners, educators and school support staff</li> <li>• To reduce the vulnerability of children to HIV, TB and STIs, with a particular focus on orphaned children and girls</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased HIV, STI and TB knowledge and skills amongst learners, educators, school support staff and officials</li> <li>• Decrease in risky sexual behaviour among learners, educators, school support staff and officials</li> <li>• Decreased barriers to retention in schools, in particular for vulnerable learners (girls and boys)</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• 7 000 educators trained to implement comprehensive sexuality education and TB prevention programmes for learners to be able to protect themselves from HIV and TB 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</li> <li>• 5 500 school management teams and school 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</li> <li>• 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, drug use and learner pregnancy, targeting 52 000 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</li> <li>• Care and support programmes implemented to reach 65 000 learners and 3 200 educators. Expand the appointment of learner support agents to 33 400 to support vulnerable learners prioritising primary schools, using the care and support for teaching and learning framework</li> <li>• 127 000 copies of curriculum and assessment policy statement 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; and the DBE Policy on the Prevention and Management of Learner Pregnancy (Learner Pregnancy Policy)</li> <li>• Host advocacy and social mobilisation events with 67 200 learners, educators and school community members on the DBE National Policy on HIV, STIs and TB; and the DBE Learner Pregnancy Policy 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</li> <li>• 4 900 schools will be reached through monitoring and support visits</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Provincial education departments must distribute the grant allocation in accordance with the following weights for the key performance areas: <ul style="list-style-type: none"> <li>○ support for prevention and management (to be integrated in existing focal areas)</li> <li>○ training and development (10 per cent)</li> <li>○ co-curricular activities (10 per cent)</li> <li>○ care and support (45 per cent)</li> </ul> </li> </ul>

<b>HIV and AIDS (Life Skills Education) Grant</b>	
	<ul style="list-style-type: none"> <li>○ learning and teaching support material (10 per cent)</li> <li>○ advocacy and social mobilisation (10 per cent)</li> <li>○ monitoring and support (8 per cent)</li> <li>○ management and administration (7 per cent)</li> <li>● Provincial education departments must report on implementation and expenditure according to the above seven key performance areas per quarter</li> <li>● Instalments are dependent on the DBE receiving these reports, adherence to approved business plans and attendance at the biannual inter-provincial meetings</li> <li>● 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</li> <li>● Deviations should be informed and motivated by achievements and/or critical challenges relating to the trends in the epidemic as relevant to respective provincial education departments</li> <li>● Provincial education departments must ensure they have the necessary capacity and skills to manage the implementation of the grant</li> <li>● First aid kits may no longer be funded from the conditional grant. In addition, condoms and sanitary pads must also not be funded from this conditional grant</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>● The education component of the provincial equitable share formula, as explained in part 4 of Annexure W1 of the 2024 Division of Revenue Bill, is used to allocate the grant amongst provinces</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>● To enable the DBE to provide overall guidance, to ensure congruency, coherence and alignment with: <ul style="list-style-type: none"> <li>○ National Strategic Plan for HIV, TB and STIs (2023–2028)</li> <li>○ 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</li> <li>○ Learner Pregnancy Policy</li> </ul> </li> <li>● This enables the DBE to exercise an oversight role on the implementation of the HIV and AIDS life skills education programme in schools</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>● Of the R242 million allocated to provinces, R242 million (100 per cent) was transferred to provinces, of which R241 million (99.5 per cent) was spent by the end of the financial year. Under-expenditure was noted in Free State and Limpopo</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>● 8 824 life orientation educators and 8 190 educators trained in integration of life skills in the curriculum</li> <li>● 52 953 functional peer education programmes were undertaken, 85 334 learners trained on the learner retention and learner pregnancy programme, 71 552 learners trained in the substance abuse programme</li> <li>● 5 431 school-based support teams established, 3 130 learner support agents in schools, 6 518 school management teams and school governing bodies trained to develop policy implementation plans, and 103 544 vulnerable learners identified and referred for services</li> <li>● 162 727 sets of learning and teaching support material delivered to 11 005 schools</li> <li>● Advocacy reached 236 671 learners and educators as well as 62 563 members of the school communities on the new DBE National Policy on HIV, STIs and TB and Learner Pregnancy Policy 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 7 617 schools through advocacy activities focusing on the prevention of TB</li> <li>● 5 457 schools reached through monitoring and support visits</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● Grant will be reviewed on an ongoing basis to respond to nature and trends in the HIV and TB epidemics</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>● 2024/25: R250 million; 2025/26: R261 million; and 2026/27: R273 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● Four instalments: 15 April 2024; 29 July 2024; 28 October 2024 and 27 January 2025</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>● 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</li> <li>● Identify risks and challenges impacting on provincial implementation</li> <li>● Develop risk management strategies to address these risks</li> <li>● Ensure synergy with national strategies and processes aimed at reducing HIV and related chronic illnesses, such as TB infection together with the associated risk factors, such as alcohol and drug use, prevention of unbecoming behavior and teenage pregnancy in schools</li> <li>● Agree on outputs and targets with provincial education departments in line with grant objectives and national imperatives for 2025/26 from 23 September 2024</li> <li>● Monitor implementation of the programme and provide support to provinces</li> <li>● Establish partnerships with key stakeholders</li> <li>● Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter (including monthly and annual reports on the implementation of the programme and expenditure against the allocated budget)</li> </ul>

<b>HIV and AIDS (Life Skills Education) Grant</b>	
	<p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>• Ensure synergy with national strategies and processes aimed at reducing HIV and TB infections and other related issues including the associated risk factors such as alcohol and drug use, prevention of unbecoming behavior and teenage pregnancy in schools</li> <li>• Identify risks and challenges impacting on implementation</li> <li>• Develop risk management strategies and implementation plans to address these risks</li> <li>• Submit monthly reports, quarterly and annual performance evaluation reports to the DBE in line with the 2024 Division of Revenue Act and Public Finance Management Act</li> <li>• Agree with the DBE on outputs and targets to ensure effective implementation and expenditure of the programme</li> <li>• Monitor implementation of the programme and provide support to districts and schools</li> <li>• Provincial education departments to implement the projects according to the approved business plans</li> <li>• Any deviation should first be communicated to and approved by the DBE before implementation</li> <li>• Evaluate and submit a provincial evaluation report on the performance of the conditional grant to the DBE in May/June 2024 (date will be determined by the national department)</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Communication and meeting with provinces to inform targets for 2025/26 from 28 October 2024</li> <li>• Provincial education departments submit draft business plans to DBE for evaluation from 29 November 2024</li> <li>• DBE evaluates provincial business plans from 9 December 2024</li> <li>• Comments sent to provincial education departments to amend the plans from 10 January 2025</li> <li>• Provincial education departments submit amended and signed plans to DBE from 24 February 2025</li> <li>• DBE approves provincial business plans from 2 April 2025</li> </ul>



<b>Learners with Profound Intellectual Disabilities Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To ensure that learners with severe to profound intellectual disabilities access quality, publicly funded education and support</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide the necessary support, resources and equipment to identified special care centres and schools for the provision of education to children with severe to profound intellectual disabilities</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Nine deputy chief education specialists as provincial grant managers and 255 transversal itinerant outreach team members appointed to provide support in special care centres and targeted schools</li> <li>• 483 special care centre data captured and managed using the South African School Administration and Management System</li> <li>• 255 transversal itinerant outreach team members, 2 490 caregivers, trained on the learning programme for learners with profound intellectual disability and other programmes that support the facilitation of the learning programme</li> <li>• Number of caregivers trained on accredited training</li> <li>• 9 672 children with severe to profound intellectual disability supported through a range of services</li> <li>• 279 of children with profound intellectual disabilities of school going age in special care centres placed in schools</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Annual budget and resource allocation schedules</li> <li>• Monitoring and reporting</li> <li>• Risk management plan</li> <li>• Cash flow projections</li> <li>• Participating centres and schools list (separate annexure)</li> <li>• Organogram for transversal itinerant outreach team within the district</li> </ul>
<b>Conditions</b>	<p><b>Grant structure and allocation</b></p> <ul style="list-style-type: none"> <li>• The grant is utilised on an interventional basis and is not a general source of funding for all special care centres and schools</li> <li>• The focus of the grant is children with severe to profound intellectual disabilities who are currently not accessing publicly funded education in special care centres</li> <li>• 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</li> <li>• Schools that have enrolled learners with profound intellectual disability from special care centres in schools should be supported</li> <li>• The learning programme for learners with profound intellectual disability should be used to guide the teaching of learners with profound intellectual disability in special care centres and targeted schools</li> <li>• The allocation of funds per provincial education department should be divided as follows: <ul style="list-style-type: none"> <li>○ 9 per cent for the training of caregivers</li> <li>○ 17 per cent for assistive devices, storage containers and top-up learning and teaching support materials and classroom furniture and equipment for newly on-boarded special care centres and designated schools for the benefit of learners with severe to profound intellectual disabilities from special care centres</li> <li>○ 65 per cent for compensation of transversal itinerant outreach team members and provincial grant managers</li> <li>○ 9 per cent for administration including travel, vehicles, accommodation and subsistence</li> </ul> </li> <li>• 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. The request for deviations must be submitted to the transferring officer no later than 15 November 2024</li> </ul> <p><b>Business planning process</b></p> <ul style="list-style-type: none"> <li>• 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</li> <li>• In order to ensure the effective management of the grant, receiving departments should not allocate other responsibilities to a staff member appointed to manage the grant</li> <li>• The receiving department must appoint outreach teams, as part of the district-based support team, made up of one senior education specialist (learning support - post level three), one chief education occupational therapist, one chief education speech therapist, one chief education physiotherapist and an educational psychologist</li> <li>• In order to ensure effective and adequate support to learners, receiving departments should not allocate other responsibilities to a staff member appointed to manage the grant</li> <li>• Outreach teams must be appointed and compensated in accordance with post levels as agreed upon with the national Department of Basic Education (DBE)</li> </ul>

<b>Learners with Profound Intellectual Disabilities Grant</b>	
	<ul style="list-style-type: none"> <li>• Outreach team members must be appointed on district posts and be 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</li> <li>• Where in-service therapists are not available, outreach team members should provide therapeutic, including any other, support to learners with profound intellectual disabilities enrolled in schools</li> <li>• The receiving department must facilitate and support the implementation of the learning programme for learners with profound intellectual disability in special care centres and schools</li> <li>• The transferring department must train outreach team members on the implementation of the learning programme for learners with profound intellectual disability and other programmes that enhance accountability in the implementation of the learning programme for learners with profound intellectual disability</li> <li>• The receiving departments, using outreach team members and other officials, must conduct on-site on-the-job coaching and mentoring of caregivers, teachers, in-service therapists, and officials on the learning programme for learners with profound intellectual disability, 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</li> <li>• The receiving department must work with DBE and ensure that caregivers receive accredited training that results in recognised qualifications</li> <li>• Administrative support will include purchasing or leasing appropriate vehicles in cases where cars have not been purchased (one car per team), purchasing tools of trade (in line with the DBE guidelines), fuel costs, and subsistence and accommodation costs when visiting special care centres and schools with the 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</li> <li>• Transport is provided for in the grant framework and hence costs incurred from the use of own cars must be avoided</li> <li>• The receiving department should facilitate and advocate for the placement of learners from special care centres in schools at all levels of the education system as well as in the broader community</li> </ul> <p><b>Procurement</b></p> <ul style="list-style-type: none"> <li>• In order to expedite the delivery of assistive devices and learning and teaching support materials, provincial education departments must utilise transversal contracts where available, unless they can demonstrate gains from an exemption in their business plans</li> <li>• To effectively use finances the use of implementing agencies to procure items must be avoided</li> <li>• In order to address the buying of inappropriate equipment and learning and teaching support materials, provincial education departments must consult with DBE by sharing and discussing the specifications of the items to be bought</li> <li>• The receiving departments must procure relevant and adequate learning and teaching support materials, classroom furniture and equipment, equipment for basic non-accredited skills programmes for learners with severe intellectual disabilities that cannot be placed in schools and assistive devices for learners in special care centres in consultation with the DBE</li> <li>• Buying of assistive devices must be informed by an assessment by a therapist</li> <li>• The receiving department must procure specialised tools of trade and storage equipment in special care centres and where storage is inadequate</li> <li>• Procurement should include training of caregivers, teachers and end-users in the utilisation of all resources provided</li> <li>• Transfer of the first tranche to provincial education departments will be done on submission of approved business, procurement and training plans</li> <li>• This framework must be read in conjunction with the practice note as agreed to with National Treasury</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations consider the number of special care centres, children with severe or profound intellectual disabilities in special care centres, schools that have enrolled learners with profound intellectual disabilities referred from special care centres per province as well as the urban and rural nature of each province</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• In order to address the needs of this marginalised population of children with severe or 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 DBE to provide overall guidance to ensure congruence and coherence in programme implementation</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the R255 million allocated to provinces, R255 million (100 per cent) was transferred to provinces and R239 million (93 per cent) was spent by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Eight deputy chief education specialists appointed as provincial grant managers</li> <li>• A total of 214 appointed transversal itinerant outreach team members recruited to guide and support curriculum delivery and provide therapeutic support in special care centres and targeted schools</li> <li>• Data Management: of 494 special care centres that support children with severe to profound intellectual disabilities managed using South African School Administration and Management System</li> <li>• Training: 225 transversal itinerant outreach team members, 1 668 care givers, 1 098 teachers, 266 in-service therapists and 233 officials trained on the learning programme for learners with profound intellectual disability</li> </ul>

<b>Learners with Profound Intellectual Disabilities Grant</b>	
	<ul style="list-style-type: none"> <li>• Outreach services: outreach services provided to 9 876 children/learners with severe to profound intellectual disability. The following services were rendered:               <ul style="list-style-type: none"> <li>○ 1 569 learners assessed by psycho-education psychologists and determined their education strengths and needs and assessment reports used to guide nature of support</li> <li>○ 4 381 learners with profound intellectual disability were taught using the learning programme for learners with profound intellectual disability</li> <li>○ 965 learners participated in basic skills programmes, 2 608 learners received therapy and 352 received assistive devices</li> <li>○ 485 special care centres were provided with a range of learning and teaching support materials to use to support teaching and the learners enrolled in these centres</li> <li>○ 36 shipping storage were bought for special care centres that do not have safe and adequate storage to store learning and teaching support materials</li> <li>○ 219 special care centres were provided with various technological equipment to be used by transversal itinerant outreach team members to support the special care centres remotely if and when necessary</li> <li>○ 270 special care centres were provided with cleaning and safely consumables</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R279 million; 2025/26: R291 million; and 2026/27: R304 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfer payments shall be effected in April 2024; August 2024; November 2024 and January 2025</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Evaluate, approve and submit provincial business plans to National Treasury</li> <li>• Refine monitoring and evaluation guidelines tools that will be used to monitor and evaluate the implementation of the grant</li> <li>• Refine standard operation procedures and tools, if and when necessary, that will be used to enhance performance management and accountability</li> <li>• Work with provincial education departments in developing a guiding document to guide provincial education departments with the appointment of practitioners in 2025/26 on a 12-month contract to implement the learning programme in special care centres and the appointment of class assistants in 2024/25 on a 12-month contract to support teachers in schools that have enrolled learners from special care centres</li> <li>• 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</li> <li>• Monitor and support the implementation of the grant by provincial education departments</li> <li>• Collaborate with other government departments and ensure the provision of integrated services to severe or profound intellectual disabilities</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Develop and submit approved business, procurement and training plans to the DBE</li> <li>• Manage the implementation of business plans in line with the 2024 Division of Revenue Act and the Public Finance Management Act to ensure that expenditure is on track and there is no withholding of transfers by transferring officer</li> <li>• Ensure systems, capacity and controls are in place to ensure the successful implementation of the grant</li> <li>• Facilitate the appointment of outreach team members and grant managers in permanent posts as per the grant conditions</li> <li>• Work with the DBE in developing a document to guide provincial education departments on the appointment of practitioners in 2024 on a 12-month volunteer contract to implement the learning programme in special care centres</li> <li>• Work with the DBE in developing a document to guide provincial education departments on the appointment of class assistants in 2024 on 12-month contracts to support teachers in schools that have enrolled learners with profound intellectual disability from special care centres</li> <li>• 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</li> <li>• 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</li> <li>• Use the BDE systems to manage special care centre data</li> <li>• Ensure that children enrolled in special care centres are enrolled in schools</li> <li>• Ensure compliance with reporting requirements by providing consolidated quality-assured and approved quarterly reports 30 days after the end of the quarter</li> <li>• Facilitate collaboration with key government departments in the delivery of services to children with severe or profound intellectual disabilities. This will entail the establishment of inter-departmental structures that will ensure integrated service delivery of services to children with severe or profound intellectual disabilities</li> <li>• Plan and implement and advocacy programme for the implementation of an inclusive education system</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Meeting with provinces to review and discuss grant framework for the next financial year and receive inputs from provincial education departments by 30 August 2024</li> <li>• DBE uses inputs from meeting with provincial education departments and drafts the grant framework by 30 September 2024</li> <li>• Support grant manager to compile first draft business plans and provincial education departments submit first draft business plans to DBE for evaluation by 6 December 2024</li> </ul>

**Learners with Profound Intellectual Disabilities Grant**

- DBE evaluates draft provincial business plans and send comments to provincial education departments to amend plans by 13 December 2024
- Provincial education departments submit amended plans by 9 January 2025
- Final comment sent to provincial education departments to amend by 17 January 2025
- Provincial education departments submit amended and signed-off plans to DBE by 21 February 2025
- DBE approves provincial business plans by 31 March 2025

<b>Maths, Science and Technology Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved learner participation and success in mathematics, science and technology subjects in the country</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• School support <ul style="list-style-type: none"> <li>○ 1 256 maths, science and technology schools</li> <li>○ 485 schools supplied with subject specific computer hardware and related software in accordance with the minimum specifications prescribed by the Curriculum Assessment Policy Statements including coding and robotics pilot schools</li> <li>○ 232 schools offering technical subjects (including pilot schools for the vocationally oriented curriculum) and schools offering agricultural subjects supplied with workshop tools, machinery, equipment and consumables for technology subjects repaired, maintained and/or replaced in accordance with the minimum specifications</li> <li>○ 1 256 laboratories supplied with apparatus and consumables for mathematics, science and technology subjects in accordance with the minimum specifications including coding and robotics kits</li> </ul> </li> <li>• Learner support <ul style="list-style-type: none"> <li>○ 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</li> </ul> </li> <li>• Teacher support <ul style="list-style-type: none"> <li>○ 1 500 participants attending specific structured training and orientation for teachers and subject advisors in subject content and teaching methodologies on curriculum assessment policy statements for electrical, civil and mechanical technology, technical mathematics, and technical sciences</li> <li>○ 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</li> </ul> </li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Annual budget and resource allocation schedules</li> <li>• Monitoring and reporting</li> <li>• Risk management plan</li> <li>• Cash flow projections</li> <li>• Participating schools list (separate annexure)</li> </ul>
<b>Conditions</b>	<p><b>Grant structure and allocations</b></p> <ul style="list-style-type: none"> <li>• The grant is utilised on an interventional basis and is not a general grant for all schools</li> <li>• 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</li> <li>• The grant will support a total of 1 256 schools across all provinces covering all mathematics, science and technology subjects from grades R-12</li> <li>• The grant will support the national Department of Basic Education (DBE)-Cuba mathematics, science and technology subjects support programme in the Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo, and Mpumalanga provinces</li> <li>• The allocations should be divided in accordance with the following guideline for Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo, and Mpumalanga: <ul style="list-style-type: none"> <li>○ 34 per cent for information communication technologies including coding and robotics resources</li> <li>○ 15 per cent for the supply, repair/replacement and maintenance of workshop machinery, equipment and tools for technical (including pilot schools for vocationally oriented curriculum) and agricultural schools</li> <li>○ 15 per cent for laboratory equipment/apparatus, manipulatives and consumables including coding and robotics</li> <li>○ 15 per cent for teacher support including teacher support for coding and robotics and vocationally oriented curriculum pilots</li> <li>○ 14 per cent for learner support including learners in teaching mathematics for understanding pilot schools</li> <li>○ 1 per cent for grant administration, monitoring, support and evaluation</li> <li>○ 6 per cent for the DBE-Cuba mathematics, science and technology subjects support programme, including remuneration</li> </ul> </li> </ul>

<b>Maths, Science and Technology Grant</b>	
	<ul style="list-style-type: none"> <li>• The allocations should be divided in accordance with the following guideline for Free State, Northern Cape, North West and Western Cape: <ul style="list-style-type: none"> <li>○ 40 per cent for information communication technologies including coding and robotics resources</li> <li>○ 15 per cent for the supply, repair/replacement and maintenance of workshop machinery, equipment and tools for technical (including pilot schools for vocationally oriented curriculum) and agricultural schools</li> <li>○ 15 per cent for laboratory equipment/apparatus, manipulatives and consumables including coding and robotics</li> <li>○ 15 per cent for teacher support including teacher support for coding and robotics and vocationally oriented curriculum pilots</li> <li>○ 14 per cent for learner support including learners in teaching mathematics for understanding pilot schools</li> <li>○ 1 per cent for grant administration, monitoring, support and evaluation</li> </ul> </li> </ul> <p><b>Priorities</b></p> <ul style="list-style-type: none"> <li>• 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</li> </ul> <p><b>Outputs</b></p> <ul style="list-style-type: none"> <li>• Information, Communication and Technology (ICT) resource items should be procured as per the minimum specifications defined by the DBE and in line with Curriculum Assessment Policy Statements. 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</li> <li>• 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 curriculum assessment policy statements</li> <li>• Laboratories' workshop equipment, apparatus and consumables should be procured as per the minimum specifications as defined by the DBE and in line with Curriculum Assessment Policy Statements. 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</li> <li>• 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. Teaching mathematics for understanding support material learner activity book</li> <li>• 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</li> </ul> <p><b>Grant administration, monitoring and evaluation</b></p> <ul style="list-style-type: none"> <li>• 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</li> </ul> <p><b>Procurement</b></p> <ul style="list-style-type: none"> <li>• Provinces must participate in DBE's three-year transversal contract to enable provincial education departments to secure three-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</li> <li>• 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</li> <li>• 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</li> <li>• Provinces will be required to submit approved deviations before submitting amended business plans on or before the last week of January every year</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Participating schools should be identified according to the following criteria: <ul style="list-style-type: none"> <li>○ priority should be given to schools classified in quintiles 1-3</li> <li>○ provinces may include schools in quintiles 4 and 5, as per provincial needs. 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)</li> <li>○ 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</li> <li>○ at least 10 – 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 10 – 15 learners are enrolled for technology subjects in further education and training band</li> <li>○ maths, science and technology schools offering technical and agricultural subjects including pilot schools for vocationally oriented curriculum</li> <li>○ pilot schools for coding and robotics curriculum</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>

<b>Maths, Science and Technology Grant</b>	
<b>Past performance</b>	<p><b>2022/23 Audited Financial Outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the R424 million allocated to provinces, R424 million (100 per cent) was transferred to provinces. R457 million (103 per cent) was spent by the end of the financial year. Overspending of R10 million was covered from the approved rollovers for 2021/22 financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• ICT <ul style="list-style-type: none"> <li>○ 1 945 schools (40: Eastern Cape, 726: Free State, 235: Gauteng, 140: KwaZulu-Natal, 158: Limpopo, 260: Mpumalanga, 176: Northern Cape, 100: North West and 110: Western Cape)</li> </ul> </li> <li>• Workshop equipment, machinery and tools <ul style="list-style-type: none"> <li>○ 181 schools (19: Free State, 16: Gauteng, 8: KwaZulu-Natal, 48: Limpopo, 43: Mpumalanga, 11: Northern Cape, 04: North West and 32: Western Cape)</li> </ul> </li> <li>• Laboratories and workshop equipment, apparatus and consumables <ul style="list-style-type: none"> <li>○ 961 schools (65: Eastern Cape, 33: Free State, 211: Gauteng, 30: KwaZulu-Natal, 190: Limpopo, 210: Mpumalanga, 61: Northern Cape, 31: North West and 130: Western Cape)</li> </ul> </li> <li>• Learner support <ul style="list-style-type: none"> <li>○ 143 708 learners (4 067: Eastern Cape, 200: Free State, 4 022: Gauteng, 18 184: KwaZulu-Natal, 48 243: Limpopo, 30 010: Mpumalanga, 4 257: Northern Cape, 16 431: North West and 18 294: Western Cape)</li> </ul> </li> <li>• Teacher support <ul style="list-style-type: none"> <li>○ 22 192 Teachers (200: Eastern Cape, 300: Free State, 417: Gauteng, 1 583: KwaZulu-Natal, 5 158: Limpopo, 8 239: Mpumalanga, 1 094: Northern Cape, 2 935: North West and 2 266: Western Cape)</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R444 million; 2025/26: R459 million; and 2026/27: R480 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• 6 May 2024; 12 August 2024; 11 November 2024 and 3 February 2025</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Identify and analyse areas requiring support in mathematics, science and technology</li> <li>• Evaluate, approve and submit provincial business plans to National Treasury</li> <li>• Provide the administrative services for the grant (manage, coordinate, monitor and support programme implementation at all levels)</li> <li>• Develop and distribute planning, implementation, monitoring and evaluation guidelines and/or templates including minimum specifications for school resources</li> <li>• The transferring officer must develop centralised procurement processes that provinces can participate in</li> <li>• Ensure compliance with reporting requirements in line with the provisions of the 2024 Division of Revenue Act</li> <li>• Monitor implementation at provincial, district and school level on a quarterly basis or as and when required, in line with the grant framework</li> <li>• Evaluate the performance of the conditional grant and submit an evaluation report to National Treasury as per the requirements of the 2024 Division of Revenue Act</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Identify and analyse areas requiring support in mathematics, science and technology</li> <li>• Develop and submit approved business plans to DBE</li> <li>• Submit lists of schools to DBE as per the timeframes set in the grant framework</li> <li>• Develop and submit an approved procurement plan in line with the business plan targets by the end of the financial year</li> <li>• 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</li> <li>• Manage and implement the programme in line with the 2024 Division of Revenue Act and the Public Finance Management Act</li> <li>• 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</li> <li>• Monitor and provide support to districts/regions, circuits and schools on a monthly and quarterly basis or as and when required</li> <li>• 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</li> <li>• Evaluate the performance of the grant and submit evaluation reports to DBE within two months after the end of the financial year</li> <li>• Implement projects according to the approved business plan. Any deviation should be communicated in writing and approved by the transferring officer before implementation</li> <li>• Submit school's business plans to DBE by the end of June every year if funds are being transferred to schools</li> </ul> <p><b>Responsibilities of schools</b></p> <ul style="list-style-type: none"> <li>• Submit school's needs on mathematics, science and technology to the districts as required by the province</li> <li>• Submit school's business plans to provinces before funds can be transferred to schools</li> <li>• Submit quarterly mathematics, science and technology activity reports on equipment, machinery, consumables, maintenance, learner and teaching support material and training support</li> <li>• Submit learner performance data for all grades in mathematics, science and technology subjects to the district and grant manager</li> </ul>

<b>Maths, Science and Technology Grant</b>	
	<ul style="list-style-type: none"> <li>• 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</li> <li>• Receive funds from provincial departments of education and manage the procurement, delivery and payment processes where necessary</li> <li>• Participate in relevant structures that have been put in place to support implementation of the grant such as annual principals' meetings</li> <li>• Monitor and ensure the quality of work of the service providers and sign-off on the completeness of the service delivery processes</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• The first draft of the consolidated provincial business plans and revised school lists to be submitted to DBE for appraisal by 28 October 2024</li> <li>• The DBE team will meet to evaluate the consolidated business plans by 11 November 2024</li> <li>• The comments on the business plans will be sent to provinces for amendments by 13 December 2024</li> <li>• Provinces will be required to submit the provincially approved amended business plans to DBE by 24 February 2025, DBE will approve the final business plans by 31 March 2025</li> </ul>



<b>National School Nutrition Programme Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enhance learning capacity and improve access to education</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide nutritious meals to targeted schools</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Enhanced learning capacity and improved access to education</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• 21 000 schools that prepare nutritious meals for learners</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> <li>• Risk management plan</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Spending must be in line with national and provincial business plans</li> <li>• The budget allocation must be distributed in terms of the following weightings for both secondary and primary schools: <ul style="list-style-type: none"> <li>○ school feeding: minimum of 97 per cent</li> <li>○ kitchen facilities, equipment and utensils: minimum of 0.3 per cent and not exceeding R10 million</li> <li>○ administration: maximum of 2.5 per cent</li> <li>○ nutrition education (including deworming and hygiene practices): maximum of 0.2 per cent</li> </ul> </li> <li>• Minimum feeding requirements: <ul style="list-style-type: none"> <li>○ provide nutritious meals to learners in quintile 1 - 3 primary and secondary schools, as well as identified special schools on all school days</li> <li>○ provide nutritious meals to targeted learners in identified quintile 4 and 5 schools in line with available resources</li> <li>○ 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</li> <li>○ pay honorarium of a minimum of R1 804 per person plus R18.04 unemployment insurance fund per person</li> <li>○ food handlers must be allocated in line with approved sliding scales submitted with provincial business plans</li> <li>○ comply with approved food specifications and menu guidelines consisting of meals containing: starch, protein and fresh vegetable/fruit</li> <li>○ breakfast porridge should be served incrementally in selected schools as per provincial business plans</li> <li>○ fresh vegetables/fruits must be served daily and vary between green, yellow and red</li> <li>○ a variety of protein-rich foods must be served in line with approved menu options</li> <li>○ processed chicken livers should be served incrementally in selected schools once a week as per provincial business plans</li> <li>○ grade 1 and 2 raw sugar beans must be packed separately from samp, not mixed in one packet</li> <li>○ 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</li> <li>○ 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</li> <li>○ ultra-high temperature 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</li> <li>○ seasoning should be provided for all meals except on days when milk is served</li> </ul> </li> <li>• Provinces must support and promote sustainable food production and nutrition education in schools</li> <li>• 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</li> <li>• Provincial business plans will be approved in line with the above minimum requirements and available resources. The following variations may be approved by the transferring officer based on achievements and/or critical challenges in each province: <ul style="list-style-type: none"> <li>○ feeding cost below the minimum requirements, provided the quality of meals is not compromised</li> <li>○ reduction in the number of learners due to learner verification</li> <li>○ number of learners that exceed the gazetted quintiles</li> <li>○ breakfast porridge and chicken livers served as per available funding</li> <li>○ serving of processed vegetables or fruit in remote areas</li> <li>○ 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</li> <li>○ deviation requests from approved business plan activities must be submitted to the transferring officer not later than 29 November 2024</li> </ul> </li> <li>• The flow of the first instalment of the grant depends upon receipt by the national Department of Basic Education (DBE) of procurement process plans as well as quarterly performance (narrative and indicators) and financial reports</li> </ul>

<b>National School Nutrition Programme Grant</b>	
	<ul style="list-style-type: none"> <li>• The flow of the December 2024 and the January 2025 instalments of the grant depends upon receipt by the DBE of quarterly performance (narrative and indicators) and financial reports</li> <li>• Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of budget transfers</li> <li>• Provinces reserve the right to withhold funds from schools in case of financial mismanagement, non-compliance to guidelines and excessive surplus funds. 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</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The distribution formula is poverty-based in accordance with the poverty distribution table used in the national norms and standards for school funding as gazetted by the Minister of Basic Education on 17 October 2008</li> <li>• Unallocated amounts will be distributed to provinces on the basis of identified programme priorities</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The National School Nutrition Programme (NSNP) is a government programme for poverty alleviation, specifically initiated to uphold the rights of children to basic food and education</li> <li>• The conditional grant framework enables the DBE to play an oversight role in the implementation of all NSNP activities in schools</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the allocated R1.5 billion budget, 97.9 per cent was spent</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 9 465 798 learners in 20 538 schools were provided with nutritious meals</li> <li>• 130 food safety workshops were conducted across all provinces to raise awareness on proper food handling practices</li> <li>• Breakfast and processed chicken livers are incrementally being implemented in some provinces</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R9.8 billion; 2025/26: R10.3 billion; and 2026/27: R10.8 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• The payment schedule will be in line with respective provincial procurement models as follows: <ul style="list-style-type: none"> <li>○ provinces that transfer funds directly to all schools (Eastern Cape, Free State, North West and Northern Cape) receive five instalments as follows: 5 April 2024; 14 June 2024; 14 August 2024; 6 September 2024; and 5 December 2024</li> <li>○ provinces that procure from service providers on behalf of schools receive five instalments as follows: 5 April 2024; 19 July 2024; 14 August 2024; 10 October 2024, and 23 January 2025</li> <li>○ the 14 August 2024 budget transfer is for kitchen facilities, equipment and utensils as per equipment specifications provided by the DBE</li> <li>○ payment schedules may be revised in line with implementation and spending trends</li> </ul> </li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Evaluate, approve and submit provincial business plans to the National Treasury</li> <li>• Manage, monitor and support programme implementation in provinces and districts</li> <li>• Ensure compliance with reporting requirements and NSNP guidelines</li> <li>• Transfer funds to provinces in line with the approved payment schedule</li> <li>• Consolidate and submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter</li> <li>• Evaluate performance of the conditional grant and submit an evaluation report to the National Treasury four months after the end of the financial year</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Develop and submit approved business plans to the DBE. The business plans should include procurement process plans on equipment and utensils</li> <li>• Monitor and provide support to districts/regions/area project officers and schools</li> <li>• Manage and implement the programme in line with the 2024 Division of Revenue Act and the Public Finance Management Act</li> <li>• Provinces must update databases on kitchen facilities (specifying those with certificates of acceptability), equipment and utensils</li> <li>• 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</li> <li>• Consult districts on the development and implementation of their provincial business plans</li> <li>• Provide oversight for districts to develop and implement monitoring and evaluation plans</li> <li>• Provide human resource capacity at all relevant levels</li> <li>• Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE two months after the end of the financial year</li> <li>• Submit quarterly financial and performance reports including consolidated monitoring, reporting and response system reports to DBE after the end of each quarter. The fourth quarter report should include kitchen facilities, equipment and utensils procured</li> <li>• Provinces that are transferring funds to schools are required to: <ul style="list-style-type: none"> <li>○ reconcile expenditure by schools against budget transfers on a quarterly basis</li> </ul> </li> </ul>

<b>National School Nutrition Programme Grant</b>	
	<p><b>Responsibilities of districts</b></p> <ul style="list-style-type: none"> <li>• Monitor and support schools</li> <li>• Implement monitoring and evaluation plans</li> <li>• 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</li> <li>• Coordinate all NSNP activities in the district</li> </ul>
	<p><b>Responsibilities of schools</b></p> <ul style="list-style-type: none"> <li>• Implement the programme in line with the conditions of the NSNP framework</li> <li>• Submit reports to districts as per the provincial reporting requirements, i.e. performance and expenditure reports</li> <li>• Safeguarding of programme resources, i.e. cooking facilities, equipment and utensils</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• First inter-provincial meeting during the first quarter</li> <li>• Consultation with district officials, provincial treasuries, provincial finance sections and the National Treasury on business plans in June 2024</li> <li>• Provinces submit first draft business plans to the DBE by 31 July 2024</li> <li>• DBE evaluates first draft business plans and sends comments to provinces by 30 August 2024</li> <li>• Provinces submit final approved business plans and requisite attachments to DBE by 12 December 2024</li> <li>• The transferring national officer to approve national and provincial business plans by 31 March 2025</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Basic Education (Vote 16)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 6, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The eradication of inappropriate education structures and backlogs in basic services</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Eradication and upgrading of inappropriate school buildings</li> <li>• Provision and upgrading of water and sanitation to schools</li> <li>• Provision and upgrading of classrooms to address overcrowding</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved access to enabling learning and teaching environments</li> <li>• Build the capacity of provinces benefiting from an indirect grant allocation to carry out this function in the future</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of inappropriate schools replaced and provided with related school furniture</li> <li>• Number of schools provided with water or upgraded to meet norms and standards</li> <li>• Number of schools provided with sanitation or upgraded to meet norms and standards</li> <li>• Number of classrooms provided or upgraded to address overcrowding</li> <li>• Final accounts for the accelerated school infrastructure delivery initiative and sanitation appropriate for education projects</li> <li>• Section 42 transfer of assets developed under the accelerated school infrastructure delivery initiative and sanitation appropriate for education</li> <li>• Update of infrastructure information on the national education infrastructure system/education facilities management system</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses an infrastructure programme management plan that includes the following: <ul style="list-style-type: none"> <li>○ institutional framework</li> <li>○ procurement and contract management plan</li> <li>○ scope management</li> <li>○ time management plan</li> <li>○ cost management plan</li> <li>○ risk management plan</li> <li>○ quality management plan</li> <li>○ monitoring and reporting details</li> <li>○ budgeting and programme accounting details</li> <li>○ performance management plan</li> <li>○ communication management plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• This is 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</li> <li>• DBE must submit to National Treasury an infrastructure programme management plan by 12 February 2024</li> <li>• Programme governance will be conducted by the following committees established to ensure that various processes are initiated within the programme: <ul style="list-style-type: none"> <li>○ national steering committee</li> <li>○ technical committee</li> <li>○ project steering committee</li> <li>○ infrastructure bid specification and evaluation committee</li> <li>○ infrastructure bid adjudication committee</li> </ul> </li> <li>• The provincial planning and monitoring teams or equivalent in each province should meet monthly to ensure information flows between the stakeholders, unblock processes, monitor progress, and enhance cooperation</li> <li>• DBE must load all infrastructure funded projects in the infrastructure reporting model before the start of the financial year (1 April 2024)</li> <li>• 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</li> <li>• DBE must update the infrastructure project details for each funded project in the infrastructure reporting model. This must be approved and submitted to National Treasury within 22 days after the end of each quarter</li> <li>• 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</li> <li>• The DBE must agree in writing with the provinces on projects that they will administer on behalf of each province</li> <li>• DBE and/or implementing agents must ensure skills transfer takes place as part of the implementation of projects</li> <li>• The DBE approved 10 point plan must be implemented to ensure improvements in infrastructure delivery</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The grant allocation is based on the distribution of inappropriate structures and schools without access</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
	<p>to water and sanitation across provinces</p> <ul style="list-style-type: none"> <li>Final allocations will be based on the finalised infrastructure programme management plan of the DBE as approved by the transferring officer</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific purpose grant to provide and upgrade basic facilities such as water and sanitation, replace schools constructed from inappropriate material, including mud schools, provision and upgrading of classrooms to address overcrowding to contribute towards improved learning and teaching. The grant will be administered by the DBE to achieve maximum impact in the shortest time possible</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial performance</b></p> <ul style="list-style-type: none"> <li>Allocated and transferred R2.4 billion of which R2.2 billion (93 per cent) was spent by the end of the national financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>27 new schools built, 50 schools provided with water, 453 schools provided with sanitation and nil schools provided with electricity (electricity sub-programme has been completed)</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue to be reviewed to respond to the nature of the infrastructure projects</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R1.6 billion; 2025/26: R1.8 billion and 2026/27: R1.9 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Undertake planning of processes, activities, and accelerated school infrastructure delivery initiative programme policies required to realise the outputs and identify required resources</li> <li>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</li> <li>Monitor and evaluate performance of the programme support unit, implementing agents, conduct project site inspections at selected sites to verify progress and quality of the works to secure programme outputs and deliverables</li> <li>DBE must report infrastructure projects implemented with voted funds in the national infrastructure reporting model within 22 days after the end of the quarter</li> <li>Harness the opportunities offered through the programme to contribute towards skills development</li> <li>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</li> <li>DBE will convene and chair meetings of the national steering committee which will: <ul style="list-style-type: none"> <li>provide strategic direction to the accelerated school infrastructure delivery initiative programme</li> <li>provide general oversight on the programme</li> <li>ensure that the management of the programme brings together those players responsible for different elements of project success and ensure a holistic approach in support of the programme</li> <li>ensure that standards are in line with different prescripts e.g. norms and standards for school infrastructure are adhered to</li> <li>facilitate the establishment of sub-programme management, their membership, reporting modalities and their interaction with the steering committee</li> <li>establish the modalities linking the targeted provincial education departments with DBE</li> <li>supervise the programme and ensure appropriate coordination and cooperation between different agencies and departments involved</li> <li>facilitate the linkages between national stakeholders such as the National Treasury (infrastructure delivery improvement plan), Construction Industry Development Board, and the national departments of Human Settlements, Water and Sanitation, Minerals and Energy, and Public Works and Infrastructure</li> <li>ensure accelerated school infrastructure delivery initiative strategies and targets are in line with national goals and targets</li> <li>monitor progress in terms of national goals and targets</li> <li>assist the management of the programme in solving particular issues that may arise and that may require the intervention of the committee</li> <li>report to the Minister of Basic Education, the Council for Education Ministers, the heads of education departments committee, and senior management</li> </ul> </li> <li>DBE must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery</li> <li>The grant may be transferred to provinces to address overcrowding in schools</li> <li>Develop a sector procurement strategy and procurement strategy for this grant in terms of the practice guide prescribed by the infrastructure delivery management toolkit</li> <li>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</li> <li>Submit an approved infrastructure programme management plan including projects list to the National Treasury</li> <li>Ensure compliance with reporting requirements and adherence to projected cash flow schedules</li> <li>Consolidate and submit quarterly reports to National Treasury and the National Council of Provinces</li> </ul>

<b>School Infrastructure Backlogs Grant</b>	
	<p>within 45 days after the end of each quarter</p> <ul style="list-style-type: none"> <li>• Conduct site visits to selected projects to assess performance</li> <li>• Create the necessary organisational structures and build capacity within the department to oversee and monitor the implementation of the grant</li> <li>• 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</li> <li>• Provide an operations and maintenance manual to the provincial education departments</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provide the list of schools to be included in the accelerated school infrastructure delivery initiative programme and sanitation appropriate for education</li> <li>• Ensure that the list of schools identified includes all the schools that never had basic sanitation, water and electricity</li> <li>• Ensure that, where schools are identified for rationalisation and mergers, DBE is made aware on time, in writing, and that all necessary supporting documents are provided</li> <li>• Establish provincial planning and monitoring teams that will provide support to the DBE when implementing projects funded by this grant</li> <li>• Monitor projects implemented at their respective provinces</li> <li>• Convene the provincial planning and monitoring teams and report to the national steering committee</li> <li>• Generate a maintenance plan from the operations and maintenance manual provided</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Submission to National Treasury by DBE of the infrastructure programme management plan for 2025/26 projects by 14 February 2025</li> </ul>

## COOPERATIVE GOVERNANCE GRANT

<b>Provincial Disaster Response Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance (Vote 3)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 7, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To enable timely response to address community needs regarding impending or disastrous events classified by the National Disaster Management Centre</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Immediate consequences of disasters are mitigated or alleviated</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Emergency repair of critical infrastructure</li> <li>Emergency provision of critical goods and services</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>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"> <li>copy of the applicable contingency plan and emergency procedures in use by the provincial department (in terms of section 35(1)(d) of the Disaster Management Act)</li> <li>prevention and mitigation strategies as per the disaster management plan</li> <li>documentation linked to Sections 56 and 57 of the same Act</li> <li>details of insurance and insured infrastructure, where applicable including factors outlined in Sections 56 and 57 of the same Act as well proof from the insurance company on the matter</li> <li>number of people, households, livestock and infrastructure affected and the extent of damages and losses</li> <li>sectors affected</li> <li>total funds required for disaster response and relief measures</li> <li>resources (both financial and in-kind) allocated by the province to respond and mitigate the effects of the disaster</li> <li>resources (both financially and in-kind) committed by other role players, including municipalities, national departments, state owned entities and non-government organisations</li> <li>the affected provincial sector department must indicate funds spent or contributed towards dealing with the disaster</li> <li>support received from non-government organisations and businesses or any other stakeholder</li> <li>cost-benefit analysis of the projects to be implemented</li> </ul> </li> <li>An implementation plan with the following: <ul style="list-style-type: none"> <li>details of the projects to be repaired including Global Positioning System (GPS) coordinates</li> <li>estimated total costs of the projects, including personnel costs</li> <li>consolidated projects cash flow over six-month period as an annexure to the implementation plan</li> <li>technical report (high level that explains viability and practicality)</li> </ul> </li> <li>An application for funding contribution may be based on the rapid assessment (preliminary versions of the supporting documentation required above may be accepted for the funding application)</li> <li>Specifics on the rapid response capacity to implement the projects and account for allocated funding</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>An occurrence should be classified as a disaster by the NDMC in terms of the Disaster Management Act and documentation linked to conditions within sections 56 and 57 of the above mentioned Act submitted to the NDMC</li> <li>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 available resources</li> <li>The grant may not be utilised for insured infrastructure. In case of inadequate insurance, reasons for inadequate insurance to be provided as well as proof from the insurer on the amount paid/ to be paid</li> <li>The emergency procurement system as provided for in the Public Finance Management Act should be invoked by the provincial department to ensure immediate response and relief measures to support affected communities</li> <li>Funds may only be used in line with the approved implementation plan by NDMC. Any amendments to the implementation plan must be submitted to the NDMC for approval at least three months prior to end of the six month implementation period. Copies of the approved amendments to be shared with National Treasury</li> <li>The provincial department must provide details of their capacity in implementing emergency projects and accounting for allocated funding</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated for classified disasters based on reports from assessments conducted by the NDMC and the relevant Provincial Disaster Management Center (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. Additionally, it must be established that there are immediate disaster response and relief needs that cannot be met by the province through the contingency arrangements already in place</li> <li>The Accounting Officer for the relevant organ of state must provide proof together with the funding request indicating that the total funds required from the grant for disaster response exceed the available resources and/or resources already allocated for disaster response</li> <li>Funding may be released in tranches, with the first tranche based on the rapid assessment, verification of the immediate disaster response and 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 and all grant conditions have been met</li> </ul>

<b>Provincial Disaster Response Grant</b>	
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant caters for response and relief measures from unforeseen and unavoidable disasters where the provincial departments are unable to cope with the effects of the disaster only utilising own resources</li> </ul>
<b>Past performance</b>	<b>2022/23 audited financial outcome</b> <ul style="list-style-type: none"> <li>The Provincial Disaster Response Grant allocation for 2022/23 was R145 million, which was shifted to the Municipal Disaster Response Grant</li> </ul>
	<b>2022/23 service delivery performance</b> <ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant is expected to continue over the medium-term subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R149 million; 2025/26: R151 million and 2026/27: R158 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made subject to approval by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<b>Responsibilities of the National Disaster Management Centre</b> <ul style="list-style-type: none"> <li>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</li> <li>Confirm support to be provided by relevant national sector departments to prevent duplication of support and resources</li> <li>Notify the relevant PDMC and provincial treasury of a transfer at least three days before transfer. Funds must be transferred no later than five days after notification</li> <li>Provide National Treasury with written notification of the transfer within 14 days of a transfer of the grant</li> <li>Submit financial report to National Treasury within 20 days of the end of each month</li> <li>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</li> <li>Together with the PDMC, monitor the implementation of disaster funded projects</li> </ul>
	<b>Responsibilities of Provincial Disaster Management Centres</b> <ul style="list-style-type: none"> <li>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</li> <li>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</li> <li>Confirm support to be provided by relevant provincial sector departments to prevent duplication of support and resources</li> <li>Submit requests for disaster funding, monitor projects and provide reports to the NDMC, and provincial treasury</li> <li>Provide financial reports to NDMC within 15 days of the end of each month</li> <li>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 using the relevant disaster grant allocation-reporting template</li> <li>The PDMC should activate a project task team comprising of the affected national and provincial sector departments</li> <li>Monitor the implementation of funded disaster project by sectors</li> <li>Establish provincial project steering committees to coordinate the monitoring and reporting of implementation of projects</li> </ul>
	<b>Responsibilities of provincial sector departments</b> <ul style="list-style-type: none"> <li>Conduct damage assessment and costing of emergency repair work</li> <li>Together with required supporting documentation, submit disaster assessment reports and funding requests signed-off by the Accounting Officer to the PDMC within 14 days following the classification of a disaster</li> <li>Consult with the relevant national sector departments and provincial treasury for support on existing resources to address the disasters</li> <li>Consult with the relevant national sector department on a funding request before submission to the PDMC, request to be accompanied by proof of engagement and response from relevant national department</li> <li>Notify provincial treasury of all requests for funding submitted</li> <li>Invoke emergency procurement processes to implement the immediate disaster response and relief projects</li> <li>Activate a provincial departmental task team to monitor, report and evaluate the impact of projects</li> <li>Monitor implementation of projects and report on their impact</li> <li>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, payment certificates and pictures of the projects) as annexures</li> <li>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. Sector departments to submit the relevant contingency plans</li> </ul>
	<b>Responsibilities of national sector departments</b> <ul style="list-style-type: none"> <li>Provide support and guidance in resource mobilisation to provincial sectors before a funding request is lodged to the NDMC through the PDMC</li> <li>Provide support and guidance to provincial sector departments and NDMC regarding line function related matters on assessments and costing verifications</li> <li>Sector departments to submit the relevant contingency plans</li> </ul>



<b>Provincial Disaster Response Grant</b>	
	<ul style="list-style-type: none"> <li>• Provide support and guidance to provincial sector departments and the NDMC in the preparation of funding requests</li> <li>• Provide support and guidance to provincial sector departments in the preparation of reports, performance and realisation of the impacts of the projects as well as ensure compliance to the grant framework and relevant guidelines</li> <li>• Monitor, report and evaluate implementation of projects by provincial sectors</li> <li>• Activate an internal departmental task team to monitor, report and evaluate the impact of projects</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

## HEALTH GRANTS

<b>District Health Programmes Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The implementation of the national strategic plan on the HIV, sexually transmitted infections (STIs) and tuberculosis (TB) and implementation of the national strategic plan on malaria elimination</li> <li>• To improve access to community based primary health care services through ward based primary health care outreach teams</li> <li>• There are two components to this grant that allow for the achievement of the stated strategic goal: <ul style="list-style-type: none"> <li>○ Comprehensive HIV/AIDS component (with a separate framework)</li> <li>○ District Health component (with a separate framework)</li> </ul> </li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To enable the health sector to develop and implement an effective response to HIV/AIDS</li> <li>• To enable the health sector to develop and implement an effective response to TB</li> <li>• To ensure provision of quality community outreach services through ward based primary health care outreach teams</li> <li>• To improve efficiencies of the ward based primary health care outreach teams programme by harmonising and standardising services and strengthening performance monitoring</li> <li>• 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</li> <li>• To enable the health sector to prevent cervical cancer by making available Human Papillomavirus (HPV) vaccinations to all eligible girls aged 9-14 years with a single dose of HPV vaccine in all settings</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Past performance</b>	<b>2022/23 audited financial performance</b> <ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
	<b>2022/23 service delivery performance</b> <ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R28 billion; 2025/26: R28.2 billion; and 2026/27: R29.5 billion, of which the two components are allocated: <ul style="list-style-type: none"> <li>○ Comprehensive HIV/AIDS component: 2024/25: R24.7 billion; 2025/26: R24.8 billion; and 2026/27: R26 billion</li> <li>○ District Health component: 2024/25: R3.2 billion; 2025/26: R3.4 billion; and 2026/27: R3.5 billion</li> </ul> </li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Monthly instalments based on the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
	<b>Responsibilities of provincial departments</b> <ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>

<b>District Health Programmes Grant: Comprehensive HIV/AIDS Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The implementation of the national strategic plan on the HIV, sexually transmitted infections (STI) and tuberculosis (TB)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To enable the health sector to develop and implement an effective response to HIV/AIDS</li> <li>• Prevention and protection of health workers from exposure to hazards in the workplace</li> <li>• To enable the health sector to develop and implement an effective response to TB</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved coordination and collaboration in the implementation of HIV/AIDS programme between national and provincial government</li> <li>• Improved quality of HIV/AIDS response through provision of access to prevention, treatment, care and support services</li> <li>• Improved coordination and collaboration in the TB response between national and provincial governments</li> <li>• Improved quality of TB (including drug resistant-TB) services including access to prevention, screening, testing, treatment and adherence monitoring and support</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of new patients started on antiretroviral therapy</li> <li>• Total number of patients on antiretroviral therapy remaining in care</li> <li>• Number of male condoms distributed</li> <li>• Number of female condoms distributed</li> <li>• Number of infants tested through the polymerase chain reaction test at 10 weeks</li> <li>• Number of clients tested for HIV (including antenatal)</li> <li>• Number of medical male circumcisions performed</li> <li>• Number of clients started on pre-exposure prophylaxis</li> <li>• Number of HIV positive clients initiated on TB preventative therapy</li> <li>• Number of TB contacts initiated on TB preventive treatment (under five years and five years and older combined)</li> <li>• Number of patients tested for TB using TB nucleic acid amplification test</li> <li>• Number of eligible HIV positive patients tested for TB using urine lipoarabinomannan assay</li> <li>• Drug sensitive TB treatment start rate (under five years and five years and older combined)</li> <li>• Rifampicin resistant confirmed treatment start rate</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The following priority areas must be supported through the grant: <ul style="list-style-type: none"> <li>○ antiretroviral therapy related interventions</li> <li>○ care and support</li> <li>○ condom distribution and high transmission area interventions</li> <li>○ prevention of mother to child transmission</li> <li>○ post-exposure prophylaxis &amp; pre-exposure prophylaxis</li> <li>○ programme management strengthening</li> <li>○ regional training centres</li> <li>○ HIV counselling and testing</li> <li>○ medical male circumcision</li> <li>○ TB prevention</li> <li>○ screening and testing people for TB</li> <li>○ linkage to TB treatment</li> <li>○ retention on TB treatment</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on antenatal HIV prevalence, estimated share of AIDS cases and population numbers post-demarcation</li> <li>• Allocation is based on TB workload cases and population numbers post-demarcation</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial performance</b></p> <ul style="list-style-type: none"> <li>• HIV/AIDS component: allocated and transferred R23.6 billion to provinces of which R23 billion (96 per cent) was spent by provinces by the end of the national financial year</li> <li>• TB component: allocated and transferred R525 million to provinces, of which R545 million (104 per cent) was spent by provinces</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• HIV/AIDS Component: <ul style="list-style-type: none"> <li>○ 429 384 new patients that started on antiretroviral therapy</li> <li>○ 5 million patients on antiretroviral therapy remaining in care</li> <li>○ 402.8 million male condoms distributed</li> </ul> </li> </ul>

<b>District Health Programmes Grant: Comprehensive HIV/AIDS Component</b>	
	<ul style="list-style-type: none"> <li>○ 15.5 million female condoms distributed</li> <li>○ 176 204 infant polymerase chain reaction test around 10 weeks</li> <li>○ 18 million clients tested for HIV (including antenatal)</li> <li>○ 478 297 medical male circumcision performed</li> <li>○ 264 728 patients on antiretroviral therapy initiated on isoniazid preventative therapy</li> <li>● TB Component <ul style="list-style-type: none"> <li>○ 2.6 million patients tested for TB using gene xpert</li> <li>○ 98 855 eligible HIV positive patients tested for TB using urine lipoarabinomannan assay</li> <li>○ 94.3 per cent drug sensitive TB treatment start rate (under five years and five years and older combined)</li> <li>○ 77.2 per cent rifampicin resistant confirmed treatment start rate</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● Ongoing in line with national strategic plan on the HIV, STI and TB for 2023 – 2027</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>● 2024/25: R24.7 billion; 2025/26: R24.8 billion and 2026/27: R26 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● Monthly instalments based on the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>● Visit provinces twice a year to monitor implementation and provide support</li> <li>● Report to the National Treasury on an additional set of indicators on progress against the 95-95-95 targets</li> <li>● Meet with National Treasury to review grant performance twice a year</li> </ul>
	<b>Responsibilities of provincial departments</b> <ul style="list-style-type: none"> <li>● Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department. Submit an electronic version to be followed by a hard copy signed by the provincial grant receiving manager</li> <li>● Clearly indicate measurable objectives and performance targets as agreed with the national department in the provincial departmental business plans for 2024/25 and over the medium term expenditure framework period</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>● Submission of draft business plans to the national Department of Health by 31 October 2024</li> <li>● Submission of final business plans to the national Department of Health by 28 February 2025</li> <li>● Submission of final business plans to the National Treasury by 2 April 2025</li> </ul>

<b>District Health Programmes Grant: District Health Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Prevention and treatment of malaria, including the implementation of national strategic plan on malaria elimination</li> <li>• To enable the health sector to prevent cervical cancer by making available Human Papillomavirus (HPV) vaccinations to all eligible girls aged 9-14 years with a single dose of HPV vaccine in all settings</li> <li>• To improve access to community based primary health care services through ward based primary health care outreach teams</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To enable the health sector to develop and implement an effective malaria response in support of the implementation of the national strategic plan on malaria elimination</li> <li>• To enable the health sector to prevent cervical cancer by making available HPV vaccinations to all eligible girls aged 9-14 years with a single dose of HPV vaccine in all settings</li> <li>• To ensure provision of quality community outreach services through ward based primary health care outreach teams by ensuring community health workers receive remuneration, tools of trade and training in line with scope of work</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved implementation of malaria strategies in support of malaria elimination efforts</li> <li>• 90 per cent of girls aged 9-14 years are vaccinated with a single dose of HPV vaccine in all settings</li> <li>• 90 per cent of schools with eligible girls reached with a single dose during the multi-aged cohort campaign and in all settings</li> <li>• Progressive integration of HPV vaccinations into the integrated school health programme</li> <li>• Improved access to quality primary health care services at community level with a focus on preventive and promotive care, screening for health conditions and referral for relevant services</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Malaria: <ul style="list-style-type: none"> <li>○ number of malaria-endemic municipalities with 95 per cent or more indoor residual spray coverage</li> <li>○ percentage of confirmed malaria cases notified within 24 hours of diagnosis in endemic areas</li> <li>○ percentage of confirmed malaria cases investigated and classified within 72 hours in endemic areas</li> <li>○ percentage of identified health facilities with recommended malaria treatment in stock</li> <li>○ percentage of identified health workers trained on malaria elimination</li> <li>○ percentage of population reached through malaria information education and communication on malaria prevention and early health-seeking behaviour interventions</li> <li>○ percentage of vacant funded malaria positions filled as outlined in the business plan</li> <li>○ number of malaria camps refurbished and/or constructed</li> </ul> </li> <li>• HPV vaccination: <ul style="list-style-type: none"> <li>○ 90 per cent of girls aged 9-14 years are vaccinated with a single dose of HPV vaccine in all settings</li> <li>○ 90 per cent of schools with eligible girls reached with a single dose during the multi-aged cohort campaign and in all settings (in-and- out of schools)</li> </ul> </li> <li>• Community outreach services: <ul style="list-style-type: none"> <li>○ number of community health workers receiving a stipend</li> <li>○ number of community health workers trained</li> <li>○ number of households 1st and follow-up visits conducted</li> <li>○ number of HIV clients lost to follow-up traced</li> <li>○ number of TB clients lost to follow-up traced</li> </ul> </li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<p>The following priority areas must be supported through the grant:</p> <ul style="list-style-type: none"> <li>• Malaria surveillance, prevention, treatment <ul style="list-style-type: none"> <li>○ mobile active testing units</li> <li>○ testing and treating through active testing in the community</li> <li>○ health promotion activities which address indoor residual spraying importance</li> <li>○ health promotion activities to promote preventative measures to be taken during travel to endemic areas and treatment seeking behavior</li> </ul> </li> <li>• Malaria vector control <ul style="list-style-type: none"> <li>○ indoor residual spraying</li> <li>○ integrated vector management activities</li> <li>○ improvement of indoor residual spray camp infrastructure</li> </ul> </li> <li>• Programme management strengthening for malaria elimination through hiring of staff for approved malaria posts</li> <li>• Provinces must maintain funding for malaria from their equitable share at 2016/17 levels, as adjusted for inflation</li> <li>• A maximum of 3 per cent of each allocation of this grant may be utilised for administration costs related to malaria, HPV, and community outreach services programmes</li> <li>• Social mobilisation to promote the uptake of the HPV vaccination to prevent cervical cancer should be done as part of the integrated school health programme</li> </ul>

<b>District Health Programmes Grant: District Health Component</b>																																									
	<ul style="list-style-type: none"> <li>• The grant must be used for the implementation of the ward based primary health care outreach teams policy framework and strategy</li> <li>• All contracted non-governmental organisations receiving funding from this grant for community outreach services must have a service level agreement with the relevant provincial department of health including performance indicators. This is applicable to Western Cape only as per the standing arrangement</li> <li>• Provinces that make transfer payments to non-governmental organisations for the community outreach services programme should follow the stipulations of section 8.4 of the Treasury Regulations and section 38(1)(j) of the Public Finance Management Act</li> <li>• For community outreach services, the grant can only fund the maximum of the community health worker stipend and any adjustment in line with the cost-of-living adjustment as approved and gazetted by Department of Employment and Labour</li> <li>• The following is the allocation for all the programmes funded from this grant: <table style="margin-left: 40px; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;"><b>HPV vaccination</b></th> <th style="text-align: center;"><b>Malaria</b></th> <th style="text-align: center;"><b>Community Outreach Services</b></th> </tr> </thead> <tbody> <tr> <td>○ Eastern Cape</td> <td style="text-align: center;">R39 million</td> <td></td> <td style="text-align: center;">R191 million</td> </tr> <tr> <td>○ Free State</td> <td style="text-align: center;">R14 million</td> <td></td> <td style="text-align: center;">R140 million</td> </tr> <tr> <td>○ Gauteng</td> <td style="text-align: center;">R32 million</td> <td></td> <td style="text-align: center;">R527 million</td> </tr> <tr> <td>○ KwaZulu-Natal</td> <td style="text-align: center;">R53 million</td> <td style="text-align: center;">R17 million</td> <td style="text-align: center;">R598 million</td> </tr> <tr> <td>○ Limpopo</td> <td style="text-align: center;">R32 million</td> <td style="text-align: center;">R68 million</td> <td style="text-align: center;">R384 million</td> </tr> <tr> <td>○ Mpumalanga</td> <td style="text-align: center;">R20 million</td> <td style="text-align: center;">R28 million</td> <td style="text-align: center;">R296 million</td> </tr> <tr> <td>○ Northern Cape</td> <td style="text-align: center;">R5 million</td> <td></td> <td style="text-align: center;">R103 million</td> </tr> <tr> <td>○ North West</td> <td style="text-align: center;">R16 million</td> <td></td> <td style="text-align: center;">R270 million</td> </tr> <tr> <td>○ Western Cape</td> <td style="text-align: center;">R23 million</td> <td></td> <td style="text-align: center;">R204 million</td> </tr> </tbody> </table> </li> <li>• The above allocations must be linked to an objective segment on the basic accounting system</li> <li>• Approval to shift funds between programmes is vested with the transferring officer and should be communicated with National Treasury</li> </ul>		<b>HPV vaccination</b>	<b>Malaria</b>	<b>Community Outreach Services</b>	○ Eastern Cape	R39 million		R191 million	○ Free State	R14 million		R140 million	○ Gauteng	R32 million		R527 million	○ KwaZulu-Natal	R53 million	R17 million	R598 million	○ Limpopo	R32 million	R68 million	R384 million	○ Mpumalanga	R20 million	R28 million	R296 million	○ Northern Cape	R5 million		R103 million	○ North West	R16 million		R270 million	○ Western Cape	R23 million		R204 million
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<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on malaria incidence and provincial equitable share allocations in endemic provinces, the number of girls aged 9-14 years from the education management information system in each province, the population numbers post-demarcation, assessment of the need in different provinces and the availability of funds</li> </ul>																																								
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• Cervical cancer is a high national priority and requires uniform implementation to achieve the minimum coverage of 90 per cent and have the desired impact of significantly reducing incidences of cervical cancer</li> <li>• The approval of the policy in 2018 formalised the community health workers programme as a component of primary health care and as a national priority. The implementation of the policy requires a focused approach to implementation and monitoring to achieve the desired outputs, outcomes on defined health indicators</li> </ul>																																								
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Malaria: allocated and transferred R107 million to provinces, of which R99 million (92 per cent) was spent by the end of the financial year</li> <li>• HPV vaccination: allocated and transferred R224 million to provinces, of which R199 million (89 per cent) was spent by the end of the financial year</li> <li>• Community Outreach Services: allocated and transferred R2.6 billion to provinces, of which R2.5 billion (97 per cent) was spent by the end of the financial year</li> <li>• COVID-19: allocated and transferred R1.8 billion to provinces, of which R1.4 billion (74 per cent) was spent by the end of the national financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Malaria: <ul style="list-style-type: none"> <li>○ 19 out of the 20 targeted municipalities reached above 95 per cent of the indoor residual spray coverage</li> <li>○ 51 per cent of all the confirmed cases were notified with 24 hours of diagnosis in the endemic districts</li> <li>○ 65 per cent of the confirmed cases were investigated and classified within 72 hours in the endemic districts</li> <li>○ 100 per cent of identified health facilities had the recommended treatment in stock</li> <li>○ 90 per cent of all identified health workers trained on malaria elimination</li> <li>○ 90 per cent of the population were reached through malaria information education and communication campaigns</li> <li>○ 90 per cent of vacant funded malaria positions were filled</li> <li>○ 10 malaria camps were refurbished and/or constructed</li> </ul> </li> <li>• HPV vaccination: <ul style="list-style-type: none"> <li>○ 99.6 per cent of schools with grade five girls reached by the HPV vaccination team with first dose, with all provinces reached above 95 per cent of schools</li> <li>○ 85.5 per cent of grade five school girls vaccinated for HPV with first dose (however, Northern Cape reached 72.9 per cent and Western Cape reached 79 per cent of school girls)</li> <li>○ 96.9 per cent of grade five school girls aged 9 and above vaccinated for HPV second dose (however, Northern Cape reached 75.6 per cent school girls)</li> <li>○ 87.2 per cent grade five school girls aged nine and above vaccinated for HPV second dose (however, Western Cape reached 76 per cent of school girls)</li> </ul> </li> <li>• Community Outreach Services: <ul style="list-style-type: none"> <li>○ 46 124 community health workers receiving stipend</li> <li>○ 12 137 community health workers trained</li> </ul> </li> </ul>																																								

<b>District Health Programmes Grant: District Health Component</b>	
	<ul style="list-style-type: none"> <li>○ 630 964 HIV defaulters traced</li> <li>○ 53 214 TB defaulters traced</li> <li>○ 20 500 households 1st and follow-up visits conducted (new indicator)</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● Grant will continue until 2025/26, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>● 2024/25: R3.2 billion; 2025/26: R3.4 billion and 2026/27: R3.5 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● Monthly instalments based on the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>● Visit provinces twice a year to monitor implementation and provide support</li> <li>● Report to the National Treasury on an additional set of indicators if and when agreed upon between the two departments</li> <li>● Meet with National Treasury to review grant performance twice a year</li> <li>● Manage the contracts for HPV vaccines and the supporting information systems</li> <li>● Monitor and support provincial planning and implementation and reporting</li> <li>● Strengthen the capacity of provinces to deliver the HPV vaccination programme</li> <li>● 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</li> <li>● Approved business plans must be submitted by the national Department of Health (DoH) to National Treasury by 29 March 2024</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>● The business plan, signed by the receiving officer and in the prescribed format, must be submitted to the transferring officer by 28 February 2024</li> <li>● 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, including measurable objectives and performance targets as agreed with DoH. Reports must include budgets and expenditure under both provincial equitable share and the conditional grant</li> <li>● Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme</li> <li>● Assign a dedicated official the responsibility for managing the grant and related components</li> <li>● Where possible, utilise existing human resource and transport capacity at all relevant levels and augment capacity where needed on a contractual basis</li> <li>● Provide a list of contracted non-governmental organisations that will provide services</li> <li>● Include the indicators in the provincial annual performance plans and ensure compliance with the 2024 Division of Revenue Act</li> <li>● Ensure that all the national indicators' data sets related to community health workers 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 community outreach services</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>● Submission of a draft business plan to DoH by 31 October 2024</li> <li>● Submission of final business plans to the DoH by 27 February 2025</li> <li>● Submission of final business plans to National Treasury by 31 March 2025</li> </ul>

<b>Health Facility Revitalisation Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enable provinces to plan, manage, and transform health infrastructure in line with national and provincial policy objectives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To help to accelerate maintenance, renovations, upgrades, additions, and construction of infrastructure in health</li> <li>• To help on replacement and commissioning of health technology in existing and revitalised health facilities</li> <li>• To enhance capacity to deliver health infrastructure</li> <li>• To accelerate the fulfilment of the requirements of occupational health and safety</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved service delivery by provincial departments as a result of an enhanced and better quality of health services</li> <li>• Improved quality and quantity of well-maintained health infrastructure (backlog and preventative maintenance)</li> <li>• Improved rates of employment and skills development in the delivery of infrastructure</li> <li>• Value for money and cost-effective design of facilities in line with the framework for infrastructure procurement and delivery management</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of primary health care facilities constructed or revitalised</li> <li>• Number of hospitals constructed or revitalised</li> <li>• Number of facilities maintained or refurbished</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The business plan for this grant consists of the following: <ul style="list-style-type: none"> <li>○ the user-asset management plan for at least 10 years</li> <li>○ infrastructure programme management plan over the 2024 medium term expenditure framework (MTEF) including a list of projects</li> <li>○ annual implementation plan</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Projects should be initiated in terms of the control framework of the framework for infrastructure procurement and delivery management stage one which requires an initiation report. Pre-feasibility and feasibility reports are required for all projects</li> <li>• With the exception of funding for costs incurred on stages one and two of the framework for infrastructure procurement and delivery management, projects (business case, project brief and design) must be approved by the national transferring officer before funds can be released for such projects</li> <li>• The management and procurement of all projects funded through this grant must follow the prescripts of the infrastructure delivery management system and framework for infrastructure procurement and delivery management</li> <li>• 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 annually by National Treasury</li> <li>• 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</li> <li>• Provincial departments of health must enter into a service delivery agreement with their implementing agents</li> <li>• Appropriately qualified built environment representatives from the provincial departments' infrastructure units must assist in the procurement of professional service providers and contractors by its implementing agent, through representation as a member on the specification, evaluation and adjudication committees of the implementing agent</li> <li>• 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</li> <li>• The funding from this conditional grant may only be utilised for planned and unplanned maintenance of infrastructure, renovations, upgrading and additions of infrastructure, new and replacement of infrastructure, health technology provision and quality assurance interventions linked to infrastructure projects. The conditional grant should not be used for day-to-day maintenance</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations for 2024/25 are project and performance based</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Funding infrastructure through 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 to ensure consistency with national norms, standards and guidelines for health facilities</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the R6.7 billion made available, R6.7 billion (100 per cent) was transferred to provinces, of which R6.6 billion (98 per cent) was spent by provinces</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 41 primary health care facilities constructed or revitalised</li> <li>• 24 hospitals constructed or revitalised</li> <li>• 157 public health care facilities (clinics, hospitals, nursing colleges, emergency medical service base) maintained, repaired and/ or refurbished</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Health is a key government priority and given the need to continually maintain health infrastructure to ensure that norms and standards are maintained, the grant is expected to remain in place until at least the end of the 2024 MTEF</li> </ul>



<b>Health Facility Revitalisation Grant</b>	
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R7.2 billion; 2025/26: R7.2 billion; and 2026/27: R7.6 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made on a quarterly basis in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Coordinate and facilitate site visits</li> <li>• Attend quarterly provincial infrastructure progress review meetings with National Treasury</li> <li>• Provide guidance to provinces on planning, prioritisation and evaluating of user-asset management plan, infrastructure programme management plan, annual implementation plan, project proposals and concept reports that provinces develop and submit</li> <li>• Capital transfers to provinces (planned, actual and revised) related to this conditional grant must be reported in the national infrastructure reporting model</li> <li>• Review if provinces comply with the framework for infrastructure procurement and delivery management</li> <li>• Issue guidelines on the capacitation process of infrastructure units, as well as the conditions attached to the utilisation of funds</li> <li>• National Department of Health (DoH) and National Treasury must jointly evaluate progress with capacitation of provincial infrastructure units and provide feedback to all provinces</li> <li>• 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</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial departments must hold progress review meetings with the relevant implementing agents</li> <li>• Annual implementation plans signed-off by the head of department, sent to the DoH for approval by 28 February 2024</li> <li>• The 2024 MTEF project list as captured in the annual implementation plan for both current and capital budgets should cover: <ul style="list-style-type: none"> <li>○ planned and unplanned maintenance of infrastructure, except day-to-day maintenance</li> <li>○ renovations, upgrading and additions of infrastructure</li> <li>○ new and replacement of infrastructure</li> <li>○ health technology provision</li> <li>○ quality assurance interventions linked to infrastructure projects</li> </ul> </li> <li>• Provinces must submit to DoH quarterly reports for all projects funded in the 2024/25 financial year in this grant to the infrastructure reporting model through the project management information system</li> <li>• Provinces must report infrastructure projects and related infrastructure support funded through this conditional grant in the provincial infrastructure reporting model monthly and quarterly</li> <li>• Provincial departments of health must align infrastructure plans (user-asset management plan and infrastructure programme management plan) with their respective strategic plans and annual performance plans</li> <li>• Provinces will include or transfer to the Department of Public Works and Infrastructure the list of completed projects to be part of their asset register</li> <li>• Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• The process for approval for the 2025 MTEF will be in line with the performance-based incentive approach guidelines published by National Treasury and DoH</li> <li>• Submission of the user-asset management plan for 2025/26 to National Treasury and DoH by 28 June 2024</li> <li>• Submission of the infrastructure programme management plan for 2025/26 to National Treasury and DoH by 30 August 2024</li> <li>• Submission of the final 2025/26 project list aligned with the MTEF allocations and annual implementation plan by 31 January 2025</li> </ul>

<b>Human Resources and Training Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To contribute to the implementation of the national human resource plan for health through the clinical training and supervision of health science trainees in designated public health facilities in South Africa</li> <li>Effective implementation of the human resources for health strategy, and health workforce capacity development for sustainable service delivery</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>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</li> <li>Support provinces to fund service costs associated with clinical training and supervision of health science trainees on the public service platform</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Progressive realisation of the national human resource plan for health</li> <li>Clinical training and supervision capacity established in designated developmental provinces (Eastern Cape, Limpopo, Mpumalanga, Northern Cape, and North West)</li> <li>Enhanced access to healthcare services, by addressing critical skills shortages in underserved communities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number and percentage of statutory posts funded from this grant (per category and discipline) and other funding sources</li> <li>Number and percentage of registrars' posts funded from this grant (per discipline) and other funding sources</li> <li>Number and percentage of specialists' posts funded from this grant (per discipline) and other funding sources</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>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</li> <li>Financial business plan – allocation by economic classification to each category of clinical trainer/supervisor</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Cost of administration of the grant must not exceed 1 per cent of the total grant allocation</li> <li>This grant has two components</li> <li><b>Statutory Human Resources Component</b> <ul style="list-style-type: none"> <li>The statutory human resources component must only be utilised for funding of statutory posts</li> </ul> </li> <li><b>Training Component</b> <ul style="list-style-type: none"> <li>The training component must prioritise all registrar posts and the balance of the allocation may be utilised for specialist (supervisors) and other approved categories</li> <li>Additional funds have been allocated for the developmental portion and the breakdown per province is as follows: <ul style="list-style-type: none"> <li>Eastern Cape R9 million</li> <li>Limpopo R5 million</li> <li>Mpumalanga R4 million</li> <li>Northern Cape R3 million</li> <li>North West R4 million</li> </ul> </li> <li>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 and development component</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Statutory Human Resources component allocations are based on the following criteria: <ul style="list-style-type: none"> <li>provinces with greatest needs have been prioritised</li> <li>number of statutory posts</li> <li>future projections of professional production versus need</li> </ul> </li> <li>Training component is based on historical allocations and spending patterns</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>Provinces give effect to the national human resource strategy through the clinical training and supervision of health science trainees on the public health service platform</li> <li>National coordination is needed for health science training</li> <li>To ensure that the additional human resources funded through this component address unmet health needs as opposed to perpetuating historical allocation patterns</li> <li>Allocation of medical interns and community service doctors is a national function</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Statutory Human Resources component: allocated and transferred R2.6 billion to provinces, of which R2.6 billion (99.4 per cent) was spent by the end of the financial year</li> <li>Training component: allocated and transferred R2.8 billion to provinces, of which R2.7 billion (99.1 per cent) was spent by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>7 626 statutory posts funded from this grant and other funding sources</li> <li>3 281 registrars posts funded from this grant and other funding sources</li> <li>3 266 specialist posts funded from this grant and other funding sources</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant is subject to review at the end of 2026/27. Its projected life will be guided by the need for health science trainees to be trained and supervised on the public health service platform</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>Total allocation in 2024/25: R5.5 billion; 2025/26: R6 billion; and 2026/27: R5.9 billion, of which <ul style="list-style-type: none"> <li>Statutory Human Resources component – 2024/25: R2.6 billion; 2025/26: R2.6 billion and 2026/27: R2.7 billion</li> <li>Training component – 2024/25: R3 billion; 2025/26: R3 billion and 2026/27: R3.1 billion</li> </ul> </li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Monthly instalments as per approved payment schedule</li> </ul>

<b>Human Resources and Training Grant</b>	
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• National Department of Health (DoH) to submit approved business plans to the National Treasury by 28 March 2024</li> <li>• Convene at least one annual meeting of national or provincial and facility programme managers</li> <li>• Monitor the number of health science trainers/clinical supervisors that are responsible for health science training on the public health service delivery platform</li> <li>• Conduct a minimum of one site visit to provinces and site visits to selected facilities on a rotational basis</li> <li>• Submission of quarterly financial and non-financial performance reports to the National Treasury</li> <li>• Meet with National Treasury to review the performance of the grant twice a year</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces are to submit an approved business plan in the prescribed format signed by the provincial head of department to the DoH by 23 February 2024</li> <li>• Provinces are encouraged to maintain a separate budget for each benefiting facility/cluster</li> <li>• Monitor the implementation of the grant and report quarterly to DoH</li> <li>• 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</li> <li>• All developmental provinces must ring-fence the developmental allocation and report on expenditure and implementation progress in their quarterly reports</li> <li>• 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"> <li>○ number of specialists</li> <li>○ number of registrars</li> <li>○ number of medical officers</li> <li>○ number of clinical associates</li> <li>○ number of postgraduates</li> <li>○ number of clinical supervisors/trainers per category in nursing, emergency medical services and allied health and pharmacy</li> <li>○ number of grant administration staff</li> </ul> </li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Draft business plans for 2025/26 must be submitted in the approved format by 25 October 2024</li> <li>• Completion of an approved business plans, in the prescribed format, signed by each receiving officer by 24 January 2025 and the transferring officer by 31 March 2025</li> </ul>

<b>National Health Insurance Grant</b>																															
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>																														
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>																														
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To achieve universal health access through the phased implementation of National Health Insurance (NHI) and to improve access to quality health care services</li> </ul>																														
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To expand the health care service benefits through the strategic purchasing of services from health care providers</li> </ul>																														
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Implementation of strategic purchasing platform for primary health care providers</li> <li>• Strengthen mental health care service delivery in primary health care and community-based mental health services</li> <li>• Improved forensic mental health services</li> </ul>																														
<b>Outputs</b>	<p><b>Health Professionals Contracting</b></p> <ul style="list-style-type: none"> <li>• Number of health professionals contracted</li> <li>• Number of sessions covered by contracted health professionals</li> </ul> <p><b>Mental Health</b></p> <ul style="list-style-type: none"> <li>• Number of mental health care providers contracted (per category: psychiatrists, psychologists, registered counsellors, occupational therapists and social workers)</li> <li>• Number of users seen by the contracted mental health care providers</li> <li>• Number of forensic mental observations conducted by the contracted mental health care providers</li> </ul>																														
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>																														
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Background of the grant, including service gaps that the grant-appointed professionals will assist to address</li> <li>• Contracting models</li> <li>• Key outputs, activities and indicators, which must include the numbers for each of the category of mental health professionals to be contracted</li> <li>• A template of contracts and related documents</li> <li>• Target population</li> <li>• Activities and resource schedules</li> <li>• Monitoring and evaluation framework</li> <li>• Risk management plan</li> <li>• Cash flow requirements</li> </ul>																														
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The funding from this grant should be used to: <ul style="list-style-type: none"> <li>○ test contracting models to purchase primary health care services. Alternatively, for the approved province, this should be done towards purchasing specific diagnostic and therapeutic hospital services</li> <li>○ contract with individual health professionals, or establishments or multidisciplinary teams of primary health care professionals. Different models of contracting are encouraged to enable strategic purchasing. Funds may be used to test capitation models within proof-of-concept contracting units for primary health care</li> <li>○ contracting of mental health professionals for forensic and primary health care mental health services. Psychiatrist, psychologists, registered counsellors, social workers and occupational therapists are the only categories that are funded for mental health and forensic mental health services</li> </ul> </li> <li>• The following allocations are allocated for HP contracting and mental health services: <table style="margin-left: 40px; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;"><b>HP Contracting</b></th> <th style="text-align: center;"><b>Mental Health Services</b></th> </tr> </thead> <tbody> <tr> <td>○ Eastern Cape</td> <td style="text-align: center;">R43 million</td> <td style="text-align: center;">R19 million</td> </tr> <tr> <td>○ Free State</td> <td style="text-align: center;">R21 million</td> <td style="text-align: center;">R8 million</td> </tr> <tr> <td>○ Gauteng</td> <td style="text-align: center;">R52 million</td> <td style="text-align: center;">R40 million</td> </tr> <tr> <td>○ KwaZulu-Natal</td> <td style="text-align: center;">R53 million</td> <td style="text-align: center;">R33 million</td> </tr> <tr> <td>○ Limpopo</td> <td style="text-align: center;">R34 million</td> <td style="text-align: center;">R18 million</td> </tr> <tr> <td>○ Mpumalanga</td> <td style="text-align: center;">R20 million</td> <td style="text-align: center;">R14 million</td> </tr> <tr> <td>○ Northern Cape</td> <td style="text-align: center;">R21 million</td> <td style="text-align: center;">R3 million</td> </tr> <tr> <td>○ North West</td> <td style="text-align: center;">R21 million</td> <td style="text-align: center;">R12 million</td> </tr> <tr> <td>○ Western Cape</td> <td style="text-align: center;">R19 million</td> <td style="text-align: center;">R17 million</td> </tr> </tbody> </table> </li> <li>• No more than 3 per cent of the funds from this grant may be used for administration of this grant or 'tools-of-trade' to enable the work of the contracted health care professionals</li> <li>• Approval to shift funds between programmes is vested with the transferring officer and any shift should be communicated with National Treasury</li> </ul>		<b>HP Contracting</b>	<b>Mental Health Services</b>	○ Eastern Cape	R43 million	R19 million	○ Free State	R21 million	R8 million	○ Gauteng	R52 million	R40 million	○ KwaZulu-Natal	R53 million	R33 million	○ Limpopo	R34 million	R18 million	○ Mpumalanga	R20 million	R14 million	○ Northern Cape	R21 million	R3 million	○ North West	R21 million	R12 million	○ Western Cape	R19 million	R17 million
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<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on <ul style="list-style-type: none"> <li>○ historical allocations</li> <li>○ user and provider needs</li> <li>○ number of health care professionals contracted</li> <li>○ number of patients reported</li> <li>○ past expenditure</li> </ul> </li> </ul>																														
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Capitation contracting of providers and establishments for primary health care service provision will be the primary method of reimbursement under the NHI. Towards successful implementation of the NHI, dedicated funding to test and improve these processes is necessary</li> </ul>																														
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the R268 million made available for the grant, R264 million (98.4 per cent) was spent</li> </ul>																														

<b>National Health Insurance Grant</b>	
	<b>2022/23 service delivery performance</b> <ul style="list-style-type: none"> <li>• 233 health care professionals contracted</li> <li>• 174 376 clients seen by contracted mental health practitioners at primary health care level</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Expected to remain in place until the NHI Fund is created through legislation</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R456 million; 2025/26: R462 million; and 2026/27: R471 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments will be made monthly in line with the approved payment schedule</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<b>Responsibilities of national department</b> <ul style="list-style-type: none"> <li>• Provide oversight and support to provincial departments to ensure achievement of the grant outcomes</li> <li>• Submission of quarterly financial and non-financial performance reports to the National Treasury</li> <li>• Business Plans must be submitted to National Treasury by 2 April 2024</li> </ul>
	<b>Responsibilities of provincial departments</b> <ul style="list-style-type: none"> <li>• Development of business plans</li> <li>• Business plans must be approved and submitted from receiving officers to the transferring officer by 29 February 2024</li> <li>• Facilitate the achievement of grant outputs</li> <li>• Ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant</li> <li>• Submission of quarterly financial and non-financial performance reports to the national department of health</li> <li>• Receiving officers must provide the transferring officers with full and unrestricted access to all records and data related to the programme and to accommodate oversight site visits</li> <li>• Contract management must be done internally by the receiving officers</li> <li>• Receiving officers must perform adequate monitoring and evaluation of the programme</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces must submit business plans to the transferring officer by 28 February 2025</li> <li>• Submission of approved business plan by the transferring officer to the National Treasury by 2 April 2025</li> </ul>

<b>National Health Insurance Indirect Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 6, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To strengthen the public health care system in preparation for implementation of National Health Insurance (NHI), design of NHI through innovative testing of new reforms and to improve quality of services at primary health care facilities</li> <li>• To achieve universal health access through the phased implementation of NHI and to improve access to quality health care services</li> <li>• To ensure appropriate health infrastructure that is in line with national and provincial policy objectives</li> <li>• This grant has two components: <ul style="list-style-type: none"> <li>○ Health Facility Revitalisation component</li> <li>○ Health Systems component</li> </ul> </li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for NHI</li> <li>• To enhance capacity and capability to deliver infrastructure for NHI</li> <li>• To accelerate the fulfilment of the requirements of occupational health and safety</li> <li>• To implement the centralised models for the dispensing and distribution of chronic medication</li> <li>• Develop and roll-out new health information systems in preparation for NHI</li> <li>• Enable the health sector to address the deficiencies in the primary health care facilities systematically through the implementation of the ideal clinic programme</li> <li>• To expand the healthcare service benefits through the strategic purchasing of services from health care providers</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Subject to policy developments that will be finalised as part of the implementation of NHI</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R2.2 billion; 2025/26: R2.4 billion and 2026/27: R2.3 billion of which the two components are: <ul style="list-style-type: none"> <li>○ Health Facility Revitalisation Component: 2024/25: R1.4 billion; 2025/26: R1.6 billion and 2026/27: R1.5 billion</li> <li>○ Health Systems Component: 2024/25: R757 million; 2025/26: R791 million and 2026/27: R813 million</li> </ul> </li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• As specified in the two component frameworks</li> </ul>

<b>National Health Insurance Indirect Grant: Health Facility Revitalisation Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 6, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To ensure appropriate health infrastructure that is in line with national and provincial policy objectives</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance (NHI)</li> <li>• To enhance capacity and capability to deliver infrastructure for NHI</li> <li>• To accelerate the fulfilment of the requirements of occupational health and safety</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Appropriate procurement of service providers for infrastructure delivery for NHI</li> <li>• Improved spending, performance, monitoring and evaluation of infrastructure projects for NHI</li> <li>• Improved employment and skills development in the delivery of infrastructure for NHI</li> <li>• Value for money and cost-effectively designed facilities in line with the framework for infrastructure delivery and procurement management</li> <li>• Improved patient experience of care</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of primary health care facilities constructed or revitalised</li> <li>• Number of hospitals constructed or revitalised</li> <li>• Number of facilities maintained, repaired and/or refurbished</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• The infrastructure programme management plan for the 2024 medium term expenditure framework (MTEF) aligned to the infrastructure delivery management system and framework for infrastructure delivery and procurement management will be submitted on 31 May 2024 and will include the following: <ul style="list-style-type: none"> <li>○ costed project lists with annual cash flow projections per project for the full duration of the projects on the programme</li> <li>○ projected milestones per project for framework for infrastructure delivery and procurement management control framework stages indicating current stage of the project</li> <li>○ project allocation list to the various implementing agents</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The national Department of Health (DoH) must, in consultation with the provinces, have in place an intergovernmental protocol framework covering the 2024 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</li> <li>• Should there be an amendment to an existing protocol agreement, the amended agreement should be submitted to the National Treasury by 30 July 2024</li> <li>• Prior to submitting the infrastructure programme management plan, each provincial department must have signed-off a project sheet for all projects funded from the grant which lists program name, sub programme or project name, facility associated, current status, projected status for the MTEF, expected stage at handover to the province and any high level comments associated</li> <li>• With all new projects, DoH must comply with framework for infrastructure delivery and procurement management processes</li> <li>• Only projects that are aligned to priorities and needs as defined within the health infrastructure portfolio plan would be considered for implementation through this grant</li> <li>• For projects with a total project cost exceeding R500 million, DoH must notify National Treasury when framework for infrastructure delivery and procurement management stage three is reached</li> <li>• The grant component must only be spent on projects included in the infrastructure programme management plan and project lists signed by provinces. Projects can only be added after approval by the National Treasury</li> <li>• Appropriately qualified built environment representatives from the national department must assist in the procurement of professional service providers and contractors by its implementing agent</li> <li>• DoH may utilise a portion of grant funding for the appointment of public servants to their infrastructure units. The amount that can be used for this is determined in terms of the conditions set in terms of the 2024 Appropriation Act</li> <li>• All completed projects must have a close-out report with a documented maintenance plan</li> <li>• 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</li> <li>• An amount of R432 million is allocated to Limpopo through the Budget Facility for Infrastructure (BFI) for the construction of the Limpopo Academic Hospital in 2024/25. 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 2018 MTEF allocation letter of the DoH</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations for 2024/25 are project based</li> <li>• Allocation is dependent on the existence of a signed and agreed to implementation protocol agreements</li> <li>• Allocation for budget adjustment is dependent on project performance and associated priority</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Funding infrastructure through an indirect conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner that is consistent with national norms, standards and guidelines for health facilities</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R1.5 billion, of which R1.1 billion (72 per cent) was spent by the end of the financial year (including the earmarked allocation for Limpopo Academic Hospital)</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Two primary health care facilities constructed or revitalised</li> <li>• One facility maintained, repaired and/or refurbished</li> </ul>

<b>National Health Insurance Indirect Grant: Health Facility Revitalisation Component</b>	
<b>Projected life</b>	<ul style="list-style-type: none"> <li>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 2024 MTEF, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R1.4 billion; 2025/26: R1.6 billion; and 2026/27: R1.5 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Estimated monthly cashflow forecast available on all projects implemented through the grant</li> <li>Monthly payments made according to verified and approved invoices from the services providers for projects that are implemented by the department. Quarterly tranche payments are made to implementing agents responsible for other projects</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Build and demonstrate the capacity necessary to manage this grant</li> <li>Ensure alignment between the infrastructure programme management plan and the annual performance plan</li> <li>Undertake the infrastructure development cycle as per the framework for infrastructure delivery and procurement management</li> <li>Convene progress review committees with appropriate reporting and invite National Treasury and provinces</li> <li>DoH must maintain an up-to-date database (project management information system), with all contracts that are fully or partially funded by this grant</li> <li>DoH must report infrastructure projects implemented with voted funds in the national infrastructure reporting model within 22 days after the end of the quarter</li> <li>Collaboration and coordination with provincial departments of health for the full development cycle of infrastructure development in respect of projects funded by this grant</li> <li>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</li> <li>DoH must convene quarterly progress review committee meetings with all project managers and implementing agents for monitoring and oversight of the performance of all funded projects. National Treasury should be invited to the meetings</li> <li>Provide provincial departments of health with progress of the projects under this grant for inclusion in provincial annual reports</li> <li>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</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>Provide accurate and detailed clinical brief to projects defining the need of projects. This should include any prefeasibility and feasibility works to obtain sufficient approval of projects</li> <li>Participate in design and delivery activities of projects implemented within their provinces as part of the grant. This includes facilitation of issues and risks mitigation under their ambit of control</li> <li>Be responsive and time conscious in the review and validation of project deliverables on the critical path of the projects undertaken through the grant</li> <li>Ensure that sufficient budget is made available for the staffing, operationalisation and maintenance of facilities post works</li> <li>Ensure that the completed projects are included in the asset registers of the provincial custodian of state-owned facilities</li> <li>Undertake life cycle maintenance as well as the full operation, staffing and management of the facilities completed under this grant by the DoH</li> <li>All immovable asset management and maintenance responsibilities of the completed projects under this grant as prescribed by the Government Immovable Asset Management Act of 2007 rests with the provinces</li> <li>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</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>Submission of a draft infrastructure programme management plan to the National Treasury by 30 October 2024</li> <li>Submission of the final infrastructure programme management plan to the National Treasury by 31 March 2025</li> <li>Submission of signed implementation protocol by 30 July 2025</li> </ul>



<b>National Health Insurance Indirect Grant: Health Systems Component</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 6, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To strengthen the public healthcare system in preparation for National Health Insurance (NHI)</li> <li>• To strengthen the design of NHI through innovative testing of new reforms</li> <li>• To improve the quality of services at primary health care facilities</li> <li>• To improve the quality of services in health care facilities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To expand the alternative models for the dispensing and distribution of chronic medication</li> <li>• To develop and roll out new health information systems in preparation for NHI, including human resource for health information systems</li> <li>• 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</li> <li>• To implement a quality improvement plan</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved access to and quality of healthcare through: <ul style="list-style-type: none"> <li>○ expansion of the alternative dispensing and distribution model for chronic medication</li> <li>○ improved quality health services in all primary health care facilities through the ideal clinic programme</li> <li>○ building and implementation of the enterprise architecture design for national health insurance digital information systems</li> <li>○ development and implementation of systems for medicines stock management and procurement</li> <li>○ certification of all public health facilities by the Office of Health Standards Compliance (OHSC)</li> </ul> </li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Alternative chronic medicine dispensing and distribution model implemented</li> <li>• Intern community service programme system maintained and improvements effected</li> <li>• Number of new and number of total patients registered in the programme, broken down by the following: <ul style="list-style-type: none"> <li>○ antiretroviral treatment</li> <li>○ antiretroviral with co-morbidities</li> <li>○ non-communicable diseases</li> <li>○ number of pickup points (state and non-state)</li> </ul> </li> <li>• Number and percentage of primary healthcare facilities peer reviewed against the ideal clinic standards</li> <li>• Number and percentage of primary healthcare facilities achieving an ideal status</li> <li>• Number of public health facilities implementing the health patient registration system</li> <li>• Number and percentage of the population registered on the health patient registration system</li> <li>• National data centre hosting environment for NHI information systems established, managed and maintained</li> <li>• The development and publication of the 2022 normative standards framework for digital health interoperability</li> <li>• Development and implementation of the master facility list policy</li> <li>• Number of primary healthcare facilities implementing an electronic stock monitoring system</li> <li>• Number of hospitals implementing an electronic stock management system</li> <li>• Number of fixed health establishments reporting medicines availability to the national surveillance centre</li> <li>• Number of quality learning centres established</li> <li>• Number of facilities improving their baseline OHSC scores (or other approved quality metrics)</li> <li>• Number of proof-of-concept contracting units for primary health care established</li> <li>• Number of healthcare providers participating in the contracting units for primary health care</li> <li>• Number of contracting units for primary health care participating in strategic purchasing</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Input, output indicators and outcome indicators</li> <li>• Milestones with projected dates when this will be achieved</li> <li>• Description of how the project will be managed including the roles and responsibilities of national and provincial departments</li> <li>• Key activities and resource schedule</li> <li>• Monitoring and evaluation plan</li> <li>• Risk management plans and cash flow projections</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Completion of a business plan by the national Department of Health (DoH) signed by the transferring officer by 2 April 2024 and submitted to the National Treasury by 2 April 2024</li> <li>• 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</li> <li>• No more than 3 per cent of this grant component may be used for grant administration</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The alternative chronic care medication dispensing and distribution model allocations will be based on the volume of patients per province</li> <li>• Ideal clinic allocation is based on the number of identified facilities and their needs in each province</li> <li>• Information systems allocation 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</li> <li>• The contracting units for primary health care programme allocation is allocated based on the needs of the national project team; and the user needs, benefits packages and service delivery models within the proof-of-concept contracting units for primary health care</li> </ul>

<b>National Health Insurance Indirect Grant: Health Systems Component</b>	
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The importance of central coordination in the development of models and the establishment of NHI to inform ongoing NHI designs</li> <li>• Ideal clinic is a key national priority and requires a systematic implementation to achieve quality health care services</li> <li>• In line with the sections 74(1) and 74(2) of the National Health Act 61 of 2003, DoH 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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the R700 million made available, R554 million was spent (79.3 per cent) for the 2022/23 financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Alternative chronic medicine dispensing, and distribution model implemented</li> <li>• 6.8 million new and total patients registered in the programme broken down</li> <li>• 1.8 million antiretroviral treatments</li> <li>• 464 603 antiretroviral with co-morbidities</li> <li>• 700 750 non-communicable diseases</li> <li>• 2 885 pickup points (non-state) and 3 543 health establishments (state) rendering the central chronic medicines dispensing and distribution service</li> <li>• 61 primary health care facilities peer reviewed against ideal clinic standards (replaced by peer review updates facilities of which achieved ideal status) and 127 peer reviewed updates</li> <li>• 2 046 and 93 per cent of primary health care facilities achieving an ideal status</li> <li>• 3 130 primary health care facilities and 76 hospitals implementing the health patient registration system</li> <li>• 65.4 million individuals from the population registered on the health patient registration system</li> <li>• 3 304 primary health care facilities implementing an electronic stock monitoring system</li> <li>• 376 hospitals implementing an electronic stock monitoring system</li> <li>• National data centre hosting environment for NHI information systems established, maintained and operational</li> <li>• First phase of the national health information centre platform completed</li> <li>• 3 862 fixed health establishments reporting medicine availability to the national surveillance centre</li> <li>• Five proof-of-concept contracting units for primary health care established</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Subject to policy developments that will be finalised as part of the implementation of NHI</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R757 million; 2025/26: R791 million and 2026/27: R813 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments will be made according to verified invoices or advance payments in line with approved programme implementation plans from the service providers</li> <li>• Monthly instalments which may be altered at the discretion of National Treasury based on invoices paid</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• To establish contracts with service providers for the delivery of goods and services as necessary in the four sub-components outlined above</li> <li>• Establish the necessary organisational structures and build capacity within the DoH to implement, oversee and monitor the execution of all approved projects using the 3 per cent administrative costs provision</li> <li>• Manage, monitor and support provincial programme planning and implementation</li> <li>• Meet with the National Treasury to review the performance of the grant on a quarterly basis</li> <li>• Strengthen the capacity of provinces to realise and maintain ideal clinic status</li> <li>• Maintain the ideal clinic software</li> <li>• Evaluate the impact of quality improvement activities and submit preliminary reports on progress to National Treasury and the Presidency by 29 July 2024 and 2 December 2024 and a final report by 31 March 2025</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Facilitate the achievement of grant outputs</li> <li>• 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, respectively</li> <li>• Provinces are responsible for ensuring medicines availability to service providers for the central chronic medicine dispensing and distribution programme aligned to the medicines formulary</li> <li>• Ensure compliance with all reporting requirements and adherence to the provisions of service level agreements</li> <li>• 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.)</li> <li>• Include performance indicators related the four sub-components in the provincial annual performance plans</li> <li>• Provinces must develop draft implementation plans to assume responsibility for the centralised chronic medicines dispensing and distribution, ideal clinic and information systems</li> <li>• Submit quarterly performance reports to DoH</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Submission of the business plan signed by the transferring officer on 31 March 2025 to National Treasury</li> </ul>

<b>National Tertiary Services Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Health (Vote 18)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 4, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• Ensure the provision of tertiary health services in South Africa</li> <li>• To compensate tertiary facilities for the additional costs associated with the provision of these services</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Modernised and transformed tertiary services that allow for improved access and equity to address the burden of disease</li> <li>• Accelerated modernisation of tertiary services (new services) in developmental provinces (Eastern Cape, Limpopo, Mpumalanga and North West)</li> <li>• Accelerated oncology infrastructure (Eastern Cape, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West.)</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of inpatient separations</li> <li>• Number of day patient separations</li> <li>• Number of outpatient first attendances</li> <li>• Number of outpatient follow-up attendances</li> <li>• Number of inpatient days</li> <li>• Average length of stay by facility (tertiary)</li> <li>• Average length of stay by facility (psychiatry)</li> <li>• Bed utilisation rate by facility (tertiary)</li> <li>• Bed utilisation rate by facility (psychiatry)</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 3: Education, skills and health</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• 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"> <li>○ provincial and institutional allocations</li> <li>○ tertiary services specifications (approved YES list) funded by the grant, by facility by province</li> <li>○ annual targets and baselines for funded specialists, specialised nurses, allied health, grant management, inpatient separations, inpatient days, day patient separations, outpatient first visits, outpatient follow up visits per facility per province per year</li> <li>○ monitoring and reporting responsibilities</li> <li>○ validation and revision of data</li> <li>○ deviations or changes to tertiary services</li> <li>○ referral responsibilities</li> <li>○ approved business plan (including details on the developmental portion, the modernisation of tertiary services portion and the oncology portion)</li> <li>○ approved specialists funded from the grant (approved specialist detail list)</li> <li>○ national guidelines on definitions of tertiary services that may be funded by the grant</li> <li>○ description of the planned use of the developmental allocations (only provinces who receive these)</li> <li>○ description of the planned use of the oncology developmental allocations (only provinces who receive this)</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The grant allocation to each central/provincial tertiary facility must not exceed a maximum of 65 per cent of the total facility budget</li> <li>• 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 plan</li> <li>• Additional funds have been allocated for the developmental portion for four provinces. The breakdown per province is as follows: <ul style="list-style-type: none"> <li>○ Eastern Cape R38 million</li> <li>○ Limpopo R16 million</li> <li>○ Mpumalanga R5 million</li> <li>○ North West R12 million</li> </ul> </li> <li>• All developmental provinces must ring-fence the developmental allocation and report on quarterly</li> <li>• Additional funds have been allocated for the development of oncology infrastructure and project related costs in four provinces. This allocation is project based. The breakdown per province is as follows: <ul style="list-style-type: none"> <li>○ Eastern Cape R22 million</li> <li>○ KwaZulu- Natal R21 million</li> <li>○ Limpopo R17 million</li> <li>○ Mpumalanga R21 million</li> <li>○ Northern Cape R21 million</li> <li>○ North West R21 million</li> </ul> </li> <li>• The allocation for the development of oncology infrastructure must be ring-fenced and reported on quarterly</li> <li>• Cost of administration of the grant must not exceed 1 per cent of the total grant allocation</li> <li>• The following amounts in the allocation to Gauteng are earmarked to fund the operations of the Nelson Mandela Children's Hospital:</li> </ul>

<b>National Tertiary Services Grant</b>	
	<ul style="list-style-type: none"> <li>○ R329 million in 2024/25</li> <li>○ R343 million in 2025/26</li> <li>○ R359 million in 2026/27</li> <li>• 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</li> <li>• 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</li> <li>• The grant does not fund the leasing of capital equipment</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Based on historical allocations and spending patterns, with additional allocations for four developmental provinces</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• There are significant cross-provincial flows of patients needing tertiary services and the grant compensates provinces with greater tertiary capacity for treating patients from other provinces</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R14.3 billion to provinces, of which R14.1 billion (98 per cent) was spent by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 701 010 inpatient separations</li> <li>• 631 884 day patient separations</li> <li>• 1.5 million outpatient first attendances</li> <li>• 3.3 million outpatient follow up attendances</li> <li>• 5.7 million inpatient days</li> <li>• 7.6 average lengths of stay by facility (tertiary)</li> <li>• 90 per cent bed utilisation rate (tertiary)</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Support for tertiary services will continue because of the need to sustain and modernise tertiary services</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R15.3 billion; 2025/26: R15.9 billion; and 2026/27: R16.7 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• 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 2024 and the second payment will be made in October 2024 based on evidence of satisfactory performance submitted to the DoH</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Approved business plans to be submitted to the National Treasury by 2 April 2024</li> <li>• Monitor expenditure by economic classification, and patient activity and provide on-site support to facilities/complexes and provinces</li> <li>• Conduct a minimum of two site visits to provinces and a minimum of one site visit to facilities/complexes</li> <li>• Identify the national need for service delivery and facilitate the development of those services through business planning processes</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submission of an approved business plan, in the prescribed format, signed by the provincial head of department by 29 February 2024</li> <li>• Completion of provincial and facility business plans, in the prescribed format, signed by the receiving officer and the benefiting institutions by 25 March 2024 (due date for Nelson Mandela Children's Hospital is 25 March 2024)</li> <li>• Provinces must provide the allocated amounts for each funded facility/cluster to the relevant provincial treasury for gazetting as per the number of agreed-upon business plans per province and facility/cluster by 22 April 2024</li> <li>• Provinces must maintain a separate budget for each benefiting facility</li> <li>• The receiving officer must supply the head of each benefiting facility/complex with a budget letter which includes their conditional grant and equitable share allocation by 29 April 2024</li> <li>• Conduct a minimum of two site visits to each budgeted facility/complex per annum and submit reports of these site visits to the DoH</li> <li>• Submission of updated specialist details funded by the equitable share and the grant at facility level by 29 November 2024</li> <li>• Submission of service specifications funded at each facility (new YES list) by 29 November 2024</li> <li>• Submission of quarterly reports in the approved expenditure areas in the prescribed format</li> <li>• Provide patient utilisation data (inpatient separations, inpatient days, day case separations, outpatient first visits, outpatient follow up visits) average length of stay (tertiary), average length of stay (psychiatric) and bed utilisation rates (tertiary) as per the prescribed format</li> <li>• Provinces intending to develop a new service area need to submit a separate business plan outlining the investment case to DoH for approval</li> <li>• Provinces may request, in writing to the transferring officer, approval to amend their approved business plan. Requests must be submitted no later than 29 November 2024. This will be the only time that provinces can request amendments to their approved business plan. Revised plans will be approved or rejected by 17 December 2024</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Submission of draft business plans (provincial and facility) by 31 October 2024</li> <li>• Completion of a business plan, in the prescribed format, signed by each receiving officer by 28 February 2025 and by the transferring officer by 25 March 2025</li> </ul>

## HUMAN SETTLEMENTS GRANTS

<b>Human Settlements Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 33)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The creation of sustainable and integrated human settlements that enable improved quality of household life</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>The facilitation and provision of adequate housing opportunities and improved quality living environments</li> <li>A functionally equitable and integrated residential property market</li> <li>Enhanced institutional capabilities for effective coordination of spatial investment decisions</li> <li>Tenure security for all recipients of government subsidised houses</li> <li>Improved quality of life</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of residential units delivered in relevant housing programmes</li> <li>Number of serviced sites delivered in relevant housing programmes</li> <li>Number of informal settlements upgraded in situ and/or relocated</li> <li>Number of title deeds registered to beneficiaries</li> <li>Hectares of well-located land acquired and rezoned for development of housing opportunities</li> <li>Number of socio-economic amenities delivered in human settlements</li> <li>Number of integrated residential development projects registered on housing subsidy system, planned and approved, funded and implemented</li> <li>Number of township registers opened in respect of pre and post 1994 Title Deeds Backlog</li> <li>Number of beneficiaries confirmed as legitimate in registered townships in respect of pre and post 1994 Title Deeds Backlog</li> <li>Number of township establishments registered and declared</li> <li>Number of ownership disputes logged and resolved in respect of pre and post 1994 Title Deeds Backlog</li> <li>Number of implementation programmes for priority housing development areas</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Medium-term strategic framework targets and budgets</li> <li>Project planning and implementation, including special housing needs aligned to the project readiness matrix</li> <li>Annual and quarterly planned targets and budgets per project</li> <li>Monthly cash flow projections (payment schedule)</li> <li>Project information (name, housing subsidy system number, description, location (district and local municipality), city/town name, suburb, ward numbers and Geographic Information System (GIS) co-ordinates)</li> <li>Title deeds project addendum in accordance with the compliance and reporting framework</li> <li>Planned bulk infrastructure projects, budget and spending per province in a prioritised municipality with distressed mining communities</li> <li>Professional fees and bulk infrastructure projects</li> <li>Number of jobs and training opportunities to be created</li> <li>Implementation agreement between national, provincial and local government</li> <li>Procurement plan confirming the appointment of requisite service providers in accordance with government procurement preferential plan and policies as part of the project readiness matrix (to be attached as an Annexure to the business plan)</li> <li>Projects, targets and budgets in Priority Housing Development Areas</li> <li>Planned annual allocation, projects and outputs by accredited municipalities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Funds for this grant should be utilised for the priorities set out in the 2019-2024 medium term strategic framework for human settlements</li> <li>Provinces must provide a report for each project that is not recurring in the business plan from the previous financial year</li> <li>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 107 of 1997 (Housing Act) and in compliance with the National Housing Code of 2009 (National Housing Code)</li> <li>The transfer of subsequent tranches is conditional on provinces capturing the targets and budget, delivery statistics, and expenditure monthly on the housing subsidy system and the basic accounting system at a sub-programme level and project level, and submitting monthly reconciliations within the required time frames</li> <li>Provinces must ensure reconciliation and alignment of financial and non-financial outputs between the housing subsidy system and basic accounting system on a monthly basis</li> <li>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</li> <li>Draft and final business plans must be aligned to provincial annual performance plans</li> </ul>

### Human Settlements Development Grant

- When the business plan is adjusted, it must still align with the approved provincial annual performance plans
- Provinces are allowed to shift budgets between projects in the business plan provided that:
  - no new projects are introduced into the business plan in-year without approval by the transferring officer
  - the delivery targets in the approved business plan are not reduced
- Provincial heads of departments must sign-off and confirm that the procurement process are concluded of the projects captured in their business plans prior to the start of the new financial year and that projects captured in their business plans are assessed and approved for implementation in the 2024/25 financial year
- 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 2024 Division of Revenue Act by no later than 27 May 2024. 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 portion not exceeding 5 per cent of their grant allocations for the provision of bulk infrastructure projects for basic services in non-metropolitan municipalities to unlock human settlement projects
- The DHS in consultation with the National Treasury must develop a framework to systematically allow provinces to use up to 30 per cent of their allocation for bulk infrastructure. This framework must include the following minimum requirements:
  - projects must be contained in the IDP of municipalities
  - the applicable land use regulatory approvals including but not limited to township establishment and environmental approvals
  - provinces must submit project lists that have been verified against projects that are funded through other conditional grants, including but not limited to the Municipal Infrastructure Grant, the Integrated Urban Development Grant, the Urban Settlements Development Grant, the Water Services Infrastructure Grant and the Regional Bulk Infrastructure Grant
  - the long-term financial implications of the bulk infrastructure on municipal budgets
  - projects approved by the national transferring officer must be included in the business plans of provinces and be submitted to the national department for approval
  - projects will be separately earmarked in a grant framework and presented as part of the Division of Revenue Bill
  - province and relevant municipality have signed a memorandum of understanding with regard to the construction, ownership, operations and maintenance of the infrastructure
- The provision above is not applicable to distressed mining towns
- Provinces may request, in writing to the transferring officer, approval to amend their approved business plan
- The payment schedules must be derived and be aligned to the cash flows contained in the approved business plan
- Provinces must include the nationally approved human priority projects in their business plans as per the gazetted Priority Human Settlements and Housing Development Areas
- Provinces must allocate a reasonable percentage of their grant allocation to the approved national priority projects (previously known as catalytic projects) in line with their project readiness status
- At least 2 per cent of the grant Human Settlements Development Grant (HSDG) grant may be allocated to programmes and projects for the implementation of innovative building technologies approved by South African Bureau of Standards 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 accompanied with a detailed motivation, a land assembly programme (with clear details of budget allocation for land acquisition, location of land and other related activities) for the medium term expenditure framework (MTEF) period and a status report of previously acquired land including status of rezoning
- 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 housing subsidy system will result in funds being withheld or stopped in terms of the 2024 Division of Revenue Act including provinces not performing according to the approved business plan
- Provinces are to set aside funds that should fund title deeds for housing projects completed before 28 March 2014 and submit a detailed report on the delivery and expenditure of the previous transfer and should include:
  - 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

<b>Human Settlements Development Grant</b>	
	<ul style="list-style-type: none"> <li>Provinces must prioritise the implementation of projects that are in the priority human settlements and housing development areas</li> </ul> <p><b>Distressed mining towns component</b></p> <ul style="list-style-type: none"> <li>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 National Housing Code) in identified municipalities with distressed mining communities: <ul style="list-style-type: none"> <li>Gauteng R70 million</li> <li>Mpumalanga R75 million</li> <li>Northern Cape R10 million</li> <li>North West R52 million</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Of the R14.5 billion made available, R14.5 billion (100 per cent) was transferred, of which R13.6 billion was spent by the end of the financial year</li> </ul>
	<p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>38 900 housing units completed</li> <li>30 874 serviced sites completed</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This is a long-term grant as the government must assist the poor with the provision of human settlements in terms of the Constitution</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R13.7 billion; 2025/26: R14.1 billion; and 2026/27: R14.3 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Monthly instalments as per the payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Finalise and ensure the approval of the applicable subsidy quantum per programme and the allocation formula for the delivery of sustainable and integrated human settlements</li> <li>Approve the final national and provincial business plans and issue national compliance certificates</li> <li>Assess and make recommendations on the credibility of provincial business plans and the readiness of projects captured therein</li> <li>Ensure that provinces align financial and non-financial information in terms of reporting in basic accounting system, housing subsidy system, provincial business plans and provincial quarterly reports</li> <li>Monitor provincial financial and non-financial grant performance and control systems related to the grant</li> <li>Ensure provinces comply with the reporting requirements for the housing subsidy system in terms of frequency and quality of the input</li> <li>Provide support to provinces and accredited municipalities with regard to human settlements delivery as may be required</li> <li>Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities</li> <li>Undertake structured and other visits to provinces and metropolitan municipalities as necessary</li> <li>Submit an annual evaluation report for 2023/24 on the financial and non-financial performance of the grant to National Treasury by 29 July 2024</li> <li>Evaluate the audited provincial annual reports for submission to the National Treasury by 13 December 2024</li> <li>Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter</li> <li>Provide systems including the housing subsidy system that support the administration of the human settlements delivery process</li> <li>Comply with the responsibilities of the transferring officer outlined in the 2024 Division of Revenue Act</li> <li>Ensure provinces only implement programmes that are contained in the approved business plans</li> <li>Provide a detailed list of all bulk infrastructure projects to the National Treasury that provinces are planning to implement in terms of their business plans</li> <li>Prioritise the finalisation of the White Paper on the Housing Policy and Strategy for South Africa</li> </ul>

<b>Human Settlements Development Grant</b>	
	<ul style="list-style-type: none"> <li>• Support accredited municipalities in carrying out delegated functions as per the accreditation framework</li> <li>• Provinces must utilise the housing subsidy system for the administration and related performance reporting of all the human settlement delivery programmes and processes</li> <li>• Projects to be funded and included in the business plan must be registered on the housing subsidy system and the housing subsidy system project number and GIS coordinates must be included in the business plan and the infrastructure reporting model</li> <li>• Provinces must ensure alignment of financial and non-financial reporting in terms of reporting in basic accounting system, housing subsidy system, approved provincial business plans and provincial quarterly reports</li> <li>• Ensure effective and efficient utilisation of and access to the housing subsidy system by municipalities</li> <li>• Comply with the Housing Act, 2024 Division of Revenue Act, National Housing Code and the national delivery agreements that have been concluded</li> <li>• The monthly expenditure report, as contemplated in the 2024 Division of Revenue Act 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, outputs, monthly basic accounting system and housing subsidy system reconciliation as stipulated on the practice note dated 24 April 2015</li> <li>• Monthly expenditure and quarterly reports must be signed-off by both the provincial human settlements and provincial treasuries' heads of departments</li> <li>• Provinces should ensure alignment of the approved business plan with the signed infrastructure plans, gazetted allocations and transfers to accredited municipalities</li> <li>• Provinces should ensure alignment between projected cash flows in the business plans and inputs into the payment schedule</li> <li>• Provinces should ensure that they only implement the programmes in the approved business plans</li> <li>• Provinces are allowed to implement the Finance Linked Individual Subsidy Programme within the Integrated Residential Reporting Programme</li> <li>• Provinces should prioritise the revitalisation of the distressed mining towns programme within their funding</li> <li>• Head of department in the province to confirm in writing to DHS consultation with municipalities on the programme and projects submitted for approval in terms of the HSDG business plan including all bulk infrastructure projects and that a copy of the memorandum of understanding is signed with all municipalities prior to the commencement of any bulk infrastructure project</li> <li>• Head of department in the province to confirm in writing to DHS that all projects to be implemented are aligned to the municipal IDP and spatial development frameworks of municipalities</li> <li>• Ensure that the relevant amounts to be applied and transferred to municipalities are gazetted by no later than 24 May 2024</li> <li>• Provinces to align their business plan with provincial annual performance plans and infrastructure reporting model</li> <li>• Provinces should on monthly basis and after approval of rollover funds, report progress separately on projects as part of the approved rollover</li> <li>• On completion of units for military veterans, provincial departments should forward the claims to the national Department of Military Veterans for the top-up, as agreed in terms of the memorandum of understanding between the national Department of Military Veterans and DHS</li> <li>• In addition to legislated reporting requirements, quarterly provincial reports must include: <ul style="list-style-type: none"> <li>○ the percentage of their allocations awarded to companies owned by designated groups on a quarterly basis</li> <li>○ progress relating to blocked projects in line with the targets and expenditure as per the approved business plan</li> <li>○ quarterly information relating to number of job opportunities created</li> <li>○ progress on performance on the implementation of asbestos removal</li> </ul> </li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Draft consolidated provincial business plans for 2025/26 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 30 August 2024</li> <li>• Submit final consolidated provincial business plans, project readiness matrix, multi-year housing development plan (including cash flow projections and compliance certificates for 2025/26 financial year) to the DHS by 7 February 2025</li> <li>• 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</li> <li>• Programmes that require ministerial approval (in terms of ministerial directives) must be submitted in the first draft of the business plan</li> </ul>



<b>Informal Settlements Upgrading Partnership Grant: Provinces</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Human Settlements (Vote 33)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The creation of sustainable and integrated human settlements that enable improved quality of household life</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Adequate housing in improved quality living environment</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• The grant shall fund the outputs defined in Phases 1 – 3 of the Upgrading of Informal Settlements Programme (UISP) in the National Housing Code of 2009 (National Housing Code):</li> </ul> <p><b>Social Facilitation:</b></p> <ul style="list-style-type: none"> <li>• Number of informal settlements where social facilitation was conducted (from project initiation to implementation)</li> </ul> <p><b>Phase 1</b></p> <ul style="list-style-type: none"> <li>• Number of prefeasibility studies conducted</li> <li>• Number of re-blocking projects undertaken</li> </ul> <p><b>Phase 2</b></p> <ul style="list-style-type: none"> <li>• Feasibility studies <ul style="list-style-type: none"> <li>○ number of environmental impact assessment undertaken</li> <li>○ number geotechnical studies conducted</li> <li>○ number of any other relevant studies conducted</li> </ul> </li> <li>• Land Acquisition <ul style="list-style-type: none"> <li>○ hectares of land acquired for in-situ upgrading</li> <li>○ hectares of land acquired for relocation</li> <li>○ hectares of land transferred and registered</li> <li>○ hectares of land availed in terms of land availability/development agreement</li> </ul> </li> <li>• Number of settlements supplied with bulk infrastructure</li> <li>• Number of settlements benefitting from temporal and interim municipal engineering services and/or any alternative technology</li> <li>• Number of settlements provided with rudimentary services</li> </ul> <p><b>Phase 3</b></p> <ul style="list-style-type: none"> <li>• Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services</li> <li>• Number of serviced sites developed</li> <li>• Number of social and economic amenities. The specific types of amenities must only be provided in collaboration with the municipality and the community</li> <li>• Number of sites transferred to end users</li> <li>• Number of households provided with secure tenure</li> <li>• Number of engineering designs: water, sewer, roads and storm water drainage concluded</li> <li>• Number of layout plans approved</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant requires provinces to attain both municipal council and Member of Executive Council (MEC) approval on informal settlements to be upgraded in the 2024/25 financial year</li> <li>• A province must submit a business plan prepared in terms of the requirements of the national Department of Human Settlements' (DHS) business planning for informal settlements upgrading</li> <li>• Provinces must submit an informal settlement upgrading plan in line with UISP in the National Housing Code for each settlement to be upgraded which includes: <ul style="list-style-type: none"> <li>○ project description</li> <li>○ settlement name and GIS coordinates</li> <li>○ project institutional arrangements</li> <li>○ sustainable livelihood implementation plan</li> <li>○ outputs and budgets</li> <li>○ cash flow projections (payment schedule)</li> <li>○ details of the support plan</li> <li>○ risk management plan</li> <li>○ prioritisation certificate issued by the MEC in consultation with relevant mayors</li> <li>○ number of re-blocking projects to be undertaken</li> <li>○ priority development areas</li> </ul> </li> <li>• Number of jobs and training opportunities to be created</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Expenditure for this grant should be utilised for the priorities as set out in the 2019-2024 medium term strategic framework for human settlements</li> <li>• Funds must be utilised as per the UISP as defined in the National Housing Code</li> <li>• The provincial informal settlements upgrading business plans must be aligned to the Provincial Informal Settlement Upgrading Strategy</li> <li>• All projects in the approved business plans must be aligned with the Integrated Development Plan and the Spatial Development Framework of municipalities</li> <li>• Draft and final business plans must be aligned to provincial annual performance plans</li> </ul>

<b>Informal Settlements Upgrading Partnership Grant: Provinces</b>	
	<ul style="list-style-type: none"> <li>Provincial heads of departments must sign-off and confirm that projects captured in their informal settlements upgrading business plans are ready for implementation in the 2024/25 financial year and will yield expenditure as per cashflows submitted</li> <li>Provinces should implement projects in the approved plans and any deviation from the approved plans should be sought from the DHS</li> <li>Provinces must indicate the amounts of their annual allocations for spending on the identified national priority projects</li> <li>Provinces must prioritise the implementation of projects that are in the gazetted priority human settlements and housing development areas</li> <li>The transfer of the first tranche of funds is conditional upon the transferring officer of national DHS approving business plan and informal settlements upgrading plans per settlement consistent with the provisions of the Housing Act 107 of 1997 and in compliance with the National Housing Code</li> <li>The transfer of subsequent tranches is conditional on provinces capturing the targets and budget, delivery statistics, and expenditure monthly on the housing subsidy system and the basic accounting system at a sub-programme level and project level, and submitting monthly reconciliations within the required time frames</li> <li>Provinces must ensure reconciliation and alignment of financial and non-financial outputs between the housing subsidy system and the basic accounting system on a monthly basis</li> <li>The payment schedule submitted by provinces should be derived from the cash flows contained in the approved upgrading plans</li> <li>If a province is allocated additional funding or funds have been stopped and reallocated to another province, a revised business plan must be submitted for subsequent reporting</li> <li>The payment schedules submitted by municipalities should be derived from the cash flows contained in the approved upgrading plans</li> <li>A maximum of 5 per cent of the of the allocation may be utilised for the Operational Support Capital Programme as per the Operational Support Capital Programme Policy of the DHS</li> <li>A maximum of 3 per cent of a province's allocation may be used for social facilitation applicable from inception to implementation</li> <li>A maximum of 3 per cent of the annual allocation should be used for re-blocking</li> <li>Provinces should spend at least 70 per cent of their allocations on permanent infrastructure</li> <li>Quarterly and monthly performance reports must be submitted to the DHS in line with the Division of Revenue Act prescripts</li> <li>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 detailed performance report per settlement (project level performance) report for phase 1-3 aligned to the business plan</li> <li>Provinces may adjust their business plans during the mid-term budget adjustment period. Provinces are allowed to shift budgets between projects in the business plan provided that <ul style="list-style-type: none"> <li>no new projects to be introduced into the business plan in year without the approval of the transferring officer</li> <li>the delivery targets in the approved business plan should not be adjusted downwards</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R4.4 billion was allocated and transferred to provinces and only R3.9 million was spent</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Service delivery performance is indicated in the performance evaluation reports for 2022/23</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant will continue until 2025/26, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R3.3 billion; 2025/26: R2.8 billion; and 2026/27: R930 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Monthly instalments as per the payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Receive, assess and make determinations on the credibility of provincial informal settlements upgrading plans and the implementation readiness of projects captured therein</li> <li>Maintain the policy and programme, and assist with interpretation</li> <li>Develop a reporting template for provinces on the Informal Settlements Upgrading Partnership Grant (ISUPG) grant outputs and publish it by 2 April 2024</li> <li>Monitor and evaluate provincial financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the ISUPG</li> <li>Provide implementation assistance support to provinces as may be required</li> <li>Undertake structured and other visits to projects as is necessary</li> <li>Facilitate regular interaction between DHS and provinces</li> <li>Submit a report on the status of informal settlements and their categorisation in terms of the National Upgrading Support Programme's methodology, to the National Treasury by 1 August 2024</li> <li>Use the grant to leverage other forms of funding</li> <li>Provide support to provinces and accredited municipalities with regard to human settlement delivery as may be required</li> <li>Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities</li> </ul>

<b>Informal Settlements Upgrading Partnership Grant: Provinces</b>	
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces should ensure collaboration and involvement of communities and civil organisations in the signing of implementation protocols for projects to be implemented</li> <li>• 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</li> <li>• Request assistance from the relevant national department on any of the matters concerned if the province lacks the capacity, resources or expertise</li> <li>• Must align their business plan with provincial annual performance plans and infrastructure reporting model in terms of section 13(1)(a) of this Act</li> <li>• Implement approved projects in accordance with UISP in the National Housing Code</li> <li>• Work with municipalities to fast track the planning approval processes for informal settlements upgrading projects</li> <li>• Agree with municipalities on how settlement areas developed under this programme will be managed, operated and maintained</li> <li>• Coordinate with municipalities and facilitate the provision of bulk and connector engineering services</li> <li>• Must adhere to section 16 of the DoRA if they are planning to appoint any other organ of state to implement human settlements projects on their behalf</li> <li>• Must report on a monthly basis the amount transferred and the expenditure including the non-financials thereof to any organ of state in line with section 12 of DoRA</li> <li>• Must report on the percentage of their allocations awarded to companies owned by designated groups on monthly and quarterly basis</li> <li>• Must use the ISUPG to leverage other forms of funding</li> <li>• Provinces must sign implementation protocols with accredited municipalities to enable gazetting transfer of funds as well as to monitor the performance of the municipality</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• First draft of the business plan must be submitted to the DHS by 31 August 2024. The DHS will provide comments by 30 September 2024</li> <li>• Final business plans must be submitted by no later than 31 January 2025</li> </ul>

## PUBLIC WORKS AND INFRASTRUCTURE GRANTS

<b>Expanded Public Works Programme Integrated Grant for Provinces</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Public Works and Infrastructure (Vote 13)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be optimised</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: <ul style="list-style-type: none"> <li>road maintenance including but not limited to block paving and pothole patching</li> <li>maintenance of buildings</li> <li>low traffic volume roads and rural roads</li> <li>other economic and social infrastructure</li> <li>tourism and cultural industries</li> <li>sustainable land based livelihoods</li> <li>waste management and cleaning services</li> <li>Energy including but not limited to retro-fitting, solar</li> </ul> </li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities</li> <li>Reduced level of poverty</li> <li>Contribute towards increased levels of employment</li> <li>Improved opportunities for sustainable work through experience, learning gained and skills development</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of people employed, trained and receiving income through the EPWP</li> <li>Number of days worked per work opportunity created</li> <li>Number of Full-Time Equivalents (FTEs) to be created through the grant</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 2: Economic transformation and job creation</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>The programme is implemented through provinces using grant agreements that contain project lists and targets for eligible provincial departments on the creation of FTEs and work opportunities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by Department of Public Works 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</li> <li>Provincial departments must register all projects on the DPWI's EPWP reporting system</li> <li>Project data reports must be loaded and updated 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</li> <li>The grant cannot be used for departmental personnel costs, however a maximum of 5 per cent of the grant can be used to fund contract-based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods</li> <li>The grant can only be utilised for EPWP purposes and for the projects approved in each eligible provincial department's EPWP project list</li> <li>To receive the first tranche disbursement, eligible provincial departments must, by 12 April 2024, submit a: <ul style="list-style-type: none"> <li>signed-off EPWP project list</li> <li>signed grant agreement with DPWI</li> </ul> </li> <li>Subsequent grant disbursements are conditional upon eligible provincial departments: <ul style="list-style-type: none"> <li>reporting on EPWP performance within the required time frames</li> <li>complying with reporting on EPWP Integrated Grant funded projects</li> <li>implementing their approved EPWP projects on the project list, as planned towards the agreed work opportunity targets</li> <li>submitting, on a quarterly basis, non-financial reports by the timelines stipulated in the clauses of the 2024 Division of Revenue Act (DoRA)</li> <li>reporting on EPWP Integrated Grant expenditure monthly, within the required time frames</li> </ul> </li> <li>Provincial departments must ensure that EPWP branding is included as part of the project cost in line with the corporate identity manual</li> <li>Provincial departments must maintain participant payroll records as specified in the audit requirements in the EPWP grant manual and the ministerial determination for EPWP and make these available to DPWI for data quality assessment tests</li> <li>At least 2 per cent of the grant allocation should be used for training of participants</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>To be eligible for an EPWP grant allocation in 2024/25, a provincial department must have reported at least 26 FTEs in either the infrastructure or environment and culture sector in the 2022/23 financial year</li> <li>Provincial departments that were not eligible in 2023/24 must have reported at least 13 FTEs in either the infrastructure or environment and culture sector by 16 October 2023</li> <li>The EPWP grant allocations are based on EPWP performance reported in the past 18 months, number of FTEs created per million rand, and the duration of the work opportunities created</li> </ul>

<b>Expanded Public Works Programme Integrated Grant for Provinces</b>	
	<ul style="list-style-type: none"> <li>The base allocation for eligible provincial departments is R2 million</li> <li>Penalties are applied to provincial departments that are non-compliant in terms of submission of the quarterly non-financial reports and monthly expenditure reports</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance</li> <li>The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Of the total grant allocation of R433 million, per cent was transferred to provinces. R418 million (97 per cent) of the transferred funds was spent by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Work opportunities reported and FTEs created</li> <li>Average duration of the work opportunities created is 84 days</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R312 million; 2025/26: R316 million; and 2026/27: R330 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment Schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Determine eligibility and set grant allocations and FTE targets for eligible provincial departments</li> <li>Publish on the EPWP website all documents relevant for provincial departments to understand and implement the grant, such as a grant manual, EPWP recruitment guidelines, the ministerial determination for EPWP workers, the EPWP infrastructure guidelines and the National Minimum Wage Act 9 of 2018 including applicable gazettes</li> <li>Support provincial departments, in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> <li>identify suitable EPWP projects, develop EPWP project lists in accordance with the EPWP project selection criteria</li> <li>apply the EPWP project selection criteria and EPWP guidelines to project design</li> <li>report using the EPWP reporting system</li> </ul> </li> <li>Monitor the performance and spending of provincial departments and assess progress towards their implementation of EPWP project lists</li> <li>Disburse the grant to eligible provincial departments that comply with the DoRA requirements</li> <li>Report to National Treasury progress against FTE targets and spending against the grant allocation on a quarterly basis</li> <li>Conduct data quality assessments on a continuous basis to support good governance and identify areas for administrative improvement</li> <li>Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions</li> <li>Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system</li> <li>Conduct site visits to verify existence of projects and identify where support is needed</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>Develop an EPWP project list and sign the grant agreement with DPWI by 12 April 2024, agreeing to comply with the conditions of the grant before receiving any grant disbursement</li> <li>Agree on the areas requiring technical support from DPWI upon signing the grant agreement</li> <li>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</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>Provincial departments must report on performance of EPWP projects for the 2023/24 financial year by 29 April 2024 or report on 2024/25 performance by 16 October 2024 to be eligible for a grant allocation</li> <li>Eligible provincial departments must sign the grant agreement with an approved 2025/26 EPWP project list by 11 April 2025</li> </ul>

<b>Social Sector Expanded Public Works Programme Incentive Grant for Provinces</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Public Works and Infrastructure (Vote 13)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To contribute towards job creation through the expansion of the social sector Expanded Public Works Programme (EPWP)</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To incentivise provincial social sector departments, identified in the EPWP social sector plan, to increase work opportunities by focusing on the strengthening and expansion of social sector programmes that have employment potential</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved service delivery to communities by expanding the reach and quality of social services</li> <li>Contribute towards increased levels of work opportunities</li> <li>Strengthened capacity of non-government delivery partners through increased access to funds for wages and administration</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of Full-Time Equivalent (FTEs) funded through the grant</li> <li>Number of people employed and receiving income through the EPWP grant</li> <li>Average duration of person days for work opportunities created</li> <li>Number of beneficiaries provided with social services</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 2: Economic transformation and job creation</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>List of projects</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>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</li> <li>Financial and non-financial performance must be reported onto the EPWP reporting system</li> <li>Provincial departments must adhere to the audit requirements stipulated in the social sector EPWP incentive grant manual</li> <li>The incentive grant allocation must be used to strengthen and expand work opportunity creation programmes in the social sector</li> <li>The incentive grant allocation must be used to fund the following priority areas: <ul style="list-style-type: none"> <li>to provide wages to unpaid volunteers at a minimum of the EPWP rate prescribed by the National Minimum Wage Act 9 of 2018 and its amendments including applicable gazettes depending on which is more favourable according to the prescripts of the Department of Employment and Labour</li> <li>to strengthen and expand social sector EPWP programmes as identified in the EPWP social sector plan for creation of additional work opportunities</li> </ul> </li> <li>A minimum of 80 per cent of the total incentive allocation must be used to pay wages</li> <li>A maximum of 5 per cent of the total incentive allocation must be used for training</li> <li>The balance of the overall incentive allocation must be used for reporting and capacity building at the implementation level</li> <li>To receive the first grant disbursement, eligible provincial departments must: <ul style="list-style-type: none"> <li>submit a signed business plan by 29 March 2024</li> <li>sign a grant agreement with the Department of Public Works and Infrastructure (DPWI) by 29 March 2024</li> </ul> </li> <li>Subsequent grant disbursements are conditional upon eligible provincial departments: <ul style="list-style-type: none"> <li>reporting grant funded projects in the EPWP reporting system, and reporting expenditure of at least 25 per cent and 50 per cent (of the transferred amount) for the second and third tranches, respectively</li> </ul> </li> <li>Provincial departments must submit quarterly non-financial reports in the prescribed template as per the timelines stipulated in the clauses of the 2024 Division of Revenue Act</li> <li>EPWP branding must be included as part of the project cost as per the corporate identity manual</li> <li>Relevant documents in accordance with the ministerial determination for EPWP should be retained by public bodies</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>To receive an incentive allocation in 2024/25, a provincial department must have: <ul style="list-style-type: none"> <li>reported performance in 2022/23 and the first two quarters of 2023/24 into the EPWP reporting system by 17 October 2023</li> <li>reported performance of at least 30 FTEs in 2022/23</li> <li>used its own funding, such as equitable share, in addition to the Social Sector EPWP Incentive Grant. Provincial departments that are not utilising their own funding will not be considered for eligibility</li> </ul> </li> <li>Allocations are calculated in two parts as follows: <ul style="list-style-type: none"> <li>90 per cent of the allocation is based on provincial department's contribution towards the total FTEs reported over 18 months</li> <li>10 per cent of the allocation is based on compliance to sector standards (for persons with disability, women, youth, training days, duration and wages)</li> </ul> </li> <li>The following penalties are applied where there was non-compliance to conditions of the grant in 2022/23: <ul style="list-style-type: none"> <li>1 per cent for non-compliance on submission of planning documents after deadline of 31 March 2022</li> <li>0.5 per cent for late submission for each quarterly non-financial report</li> <li>0.5 per cent for each tranche withheld</li> </ul> </li> </ul>

<b>Social Sector Expanded Public Works Programme Incentive Grant for Provinces</b>	
	<ul style="list-style-type: none"> <li>○ 1 per cent for less than 100 per cent expenditure reported in the assessment period</li> <li>○ 1 per cent for non-achievement of FTE target in the assessment period</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The incentive allocation is based on the performance of programmes in a prior financial years and use of the allocation is specifically earmarked for EPWP programme expansion</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the total grant allocation of R424 million (100 per cent) was transferred to provincial departments of which R412 million (97 per cent) of was reported spent by provinces</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 18 398 FTEs were created</li> <li>• 24 022 work opportunities created</li> <li>• Average duration of 176 person days for work opportunities created</li> <li>• 219 581 beneficiaries received social services</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R306 million; 2025/26: R310 million and 2026/27: R324 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Determine the eligibility of provincial departments, set work opportunity targets, performance measures and calculate incentive allocations</li> <li>• 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</li> <li>• Develop an incentive agreement outlining the requirements of the incentive grant and ensure that each provincial department signs the agreement by 29 March 2024</li> <li>• Coordinate with national sector departments in ensuring effective implementation of the incentive grant</li> <li>• Support provincial departments to develop plans to meet work opportunity targets</li> <li>• Support sector departments to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system</li> <li>• 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</li> <li>• Evaluate the final performance of provincial departments after the end of the financial year</li> <li>• Issue guidelines to provincial departments on how to report expenditure by 29 March 2024</li> <li>• Analyse reported data and provide feedback to sector stakeholders</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Compile and sign business plans on how they will achieve the incentive grant targets by 29 March 2024</li> <li>• By 29 March 2024, sign the standard incentive agreement with DPWI agreeing to comply with the conditions and obligations of the grant before receiving any incentive payment</li> <li>• Report EPWP performance onto the EPWP reporting system and update progress monthly in accordance with the reporting requirements in the incentive agreement</li> <li>• 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</li> <li>• Submit an annual evaluation report on the use of the incentive grant in the format and manner prescribed by National Treasury and DPWI</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Provincial departments must have reported 2023/24 EPWP performance by 29 April 2024 to be eligible for an allocation</li> <li>• Provincial departments participate in the planning exercise from January to February each year and submit their business plans and targets to DPWI during this process, in the format prescribed</li> <li>• DPWI to distribute the incentive agreements for endorsement by provincial heads of departments by the end of February every year</li> <li>• Provincial heads of departments to sign the incentive agreement with DPWI by 2 April 2025 and agree to comply with the conditions and obligations of the incentive grant</li> </ul>

## SPORT, ARTS AND CULTURE GRANTS

<b>Community Library Services Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Sport, Arts and Culture (Vote 37)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To enable the South African society to gain access to knowledge and updated information that will improve its socio-economic status</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved coordination and collaboration between national, provincial and local government on library services</li> <li>• Equitable access to library and information services delivered to all rural and urban communities</li> <li>• Improved library infrastructure and services that meet the specific needs of the communities they serve</li> <li>• Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs</li> <li>• Improved culture of reading and literacy development</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• 260 000 library materials (books, periodicals, toys etc.) purchased</li> <li>• Library information and communication technology infrastructure and systems software installed and maintained in all provinces</li> <li>• New services established for the visually impaired at 13 identified community libraries in all provinces</li> <li>• Number of new library structures completed</li> <li>• New library structures funded for construction</li> <li>• Five upgraded library structures completed</li> <li>• 35 maintained library structures completed</li> <li>• 2 600 existing contract library staff maintained in all provinces</li> <li>• Number of new staff appointed for dual-purpose libraries</li> <li>• 30 new staff appointed at public libraries to support the shifting of the function to provinces</li> <li>• Capacity building programmes for public librarians</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 6: Social cohesion and safer communities</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Output indicators</li> <li>• Inputs</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• The provincial business plans must be developed in accordance with identified priority areas</li> <li>• Provincial departments may only request (in writing, to the transferring officer) to amend the business plan before 31 October 2024</li> <li>• Provinces may not exceed the 20 per cent threshold provided for variation orders on infrastructure projects without the approval of the transferring officer</li> <li>• To qualify for allocations in 2025/26 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 2023 medium term expenditure framework (MTEF) provided funding is available</li> <li>• Grant funding must not be used to replace funding for items that provinces have previously allocated to community libraries</li> <li>• Provinces may use a maximum of 5 per cent of the total amount allocated to them for capacity building and provincial management of the grant at the provincial department and the details of how these funds will be used must be included in their respective business plans</li> <li>• 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</li> <li>• Provinces must include in their business plans the scope of work and budget for maintenance of existing libraries and those being built</li> <li>• Funds earmarked to support Schedule 5 function shift 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 2024/25 to address the Schedule 5 function shift imperative. 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 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: <ul style="list-style-type: none"> <li>○ Eastern Cape: R76 million</li> <li>○ Free State: R47 million</li> </ul> </li> </ul>



<b>Community Library Services Grant</b>	
	<ul style="list-style-type: none"> <li>○ Gauteng: R136 million</li> <li>○ KwaZulu-Natal: R103 million</li> <li>○ Limpopo: R33 million</li> <li>○ Mpumalanga: R81 million</li> <li>○ Northern Cape: R76 million</li> <li>○ North West: R52 million</li> <li>○ Western Cape: R99 million</li> </ul> <ul style="list-style-type: none"> <li>• Service level agreements (SLAs) determining reporting protocols must be signed with receiving municipalities within three months after the start of the municipal financial year</li> <li>• 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</li> <li>• 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</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on an evaluation report for 2022/23 conducted by the national Department of Sport, Arts and Culture (DSAC) which identified community library needs and priorities for 2024</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This funding is intended to address backlogs and disparities in the provision and maintenance of community library services across provinces, and enable the DSAC to provide strategic guidance and alignment with national priorities</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Allocated R1.5 billion and 100 per cent of the allocation was transferred to provinces. R1.4 billion was spent by provinces by the end of the financial year (90.8 per cent of the total after including provincial roll-overs)</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Nine new libraries built</li> <li>• Nine libraries upgraded/maintained</li> <li>• 2 693 staff maintained</li> <li>• 229 025 library materials procured</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The projected life will be informed by evaluation reports. Allocations may become part of the provincial equitable share in 2025/26 if provinces have completed the function shift and completed a process that leads to the full funding of the service</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R1.6 billion, 2025/26: R1.6 billion and 2026/27: R1.7 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments: 12 April 2024; 12 July 2024; 11 October 2024; and 17 January 2025</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Ensure that capital transfers to provinces are recorded in the national infrastructure reporting model along with actual and revised transfers</li> <li>• Establish an intergovernmental forum with provinces that meets at least twice a year to discuss issues related to the provision of community library services</li> <li>• Participate in at least one intergovernmental forum meeting per province between provinces and municipalities per year</li> <li>• Identify challenges and risks and prepare mitigation strategies</li> <li>• Monitor and evaluate implementation</li> <li>• Evaluate the 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</li> <li>• Submit monthly financial and quarterly performance reports to the National Treasury</li> <li>• Determine outputs and targets for 2024/25 with provincial departments</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provinces must establish intergovernmental forums with municipalities within their province that are funded through this grant, that meet quarterly to discuss issues related to the provision of community library services</li> <li>• Provincial departments must establish capacity to monitor and evaluate SLAs with municipalities</li> <li>• Provinces must maintain the number of staff appointed using this conditional grant</li> <li>• Submit evaluation reports to the DSAC within two months after the end of the financial year</li> <li>• Submit signed monthly financial reports to DSAC within 15 days after the end of every month</li> <li>• Submit quarterly performance reports to the DSAC within 30 days after the end of the quarter</li> <li>• Provinces must complete the conversion of contract staff to permanent staff by end of March 2025 subject to applicable public service regulations</li> <li>• Submit an approved and signed-off infrastructure project list (Table B5) aligned to the business plan for the 2024 MTEF on the infrastructure reporting model</li> <li>• Submit monthly financial and non-financial reports on infrastructure programmes in the infrastructure reporting model within 15 days after the end of each month to the relevant provincial treasury and DSAC</li> <li>• Submit monthly signed-off financial and non-financial reports on infrastructure programmes in the infrastructure reporting model within 22 days after the end of each month to the relevant provincial treasury, DSAC and National Treasury</li> </ul>

<b>Community Library Services Grant</b>	
	<ul style="list-style-type: none"> <li>• Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes in the 2024 Division of Revenue Act</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces must submit function shift progress report to DSAC by 29 November 2024</li> <li>• Progress reports must detail at least the following:               <ul style="list-style-type: none"> <li>○ criteria that will be used to evaluate the capacity of municipalities to administer the function on behalf of the province</li> <li>○ a policy framework for funding municipalities that administer the service with details of this funding for a three-year time period</li> </ul> </li> <li>• Provinces to submit draft business plans to DSAC by 6 September 2024. Business plans must be aligned to their strategies for full funding of the function</li> <li>• DSAC to evaluate provincial business plans and provide feedback to provinces by 30 September 2024</li> <li>• Provinces to submit final provincial business plans to DSAC by 31 January 2025</li> <li>• DSAC approves business plans and submits them to National Treasury by 31 March 2025</li> </ul>

<b>Mass Participation and Sport Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Sport, Arts and Culture (Vote 37)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Increasing citizens' access to sport and recreation activities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To facilitate sport and active recreation participation and empowerment in partnership with relevant stakeholders</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Increased and sustained participation in sport and active recreation</li> <li>• Improved sector capacity to deliver sport and active recreation</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• <b>School sport</b> <ul style="list-style-type: none"> <li>○ learners supported to participate in the national school sport championships</li> <li>○ school sport leagues organised at local and district level</li> <li>○ schools participating in the school sport programme</li> <li>○ schools provided with equipment and/or attire</li> <li>○ people trained</li> <li>○ people employed to deliver school sport programme</li> <li>○ sport ambassador's programme supported</li> </ul> </li> <li>• <b>Community sport and active recreation</b> <ul style="list-style-type: none"> <li>• <b>Active recreation (Siyadlala)</b> <ul style="list-style-type: none"> <li>○ number of organised sport and recreation activities in communities</li> <li>○ provincial indigenous games organised</li> <li>○ hubs provided with equipment and/or attire</li> <li>○ active recreation coordinators remunerated</li> <li>○ people trained in Siyadlala</li> </ul> </li> <li>• <b>Club development</b> <ul style="list-style-type: none"> <li>○ local leagues supported</li> <li>○ people trained (active recreation and sport academies)</li> <li>○ club coordinators remunerated</li> <li>○ clubs provided with equipment and or attire</li> <li>○ women boxing bout support provided (where province supports professional boxing)</li> </ul> </li> <li>• <b>Sport academies</b> <ul style="list-style-type: none"> <li>○ athletes' development programmes supported by the sport academies</li> <li>○ sport academies supported (equipment and personnel)</li> <li>○ people trained to support sport academy programmes</li> </ul> </li> <li>• <b>Transversal matters</b> <ul style="list-style-type: none"> <li>○ sport and active recreation projects implemented by the provincial sports confederation</li> <li>○ provincial programmes contributing to "I choose 2B Active" implemented</li> </ul> </li> <li>• <b>Management</b> <ul style="list-style-type: none"> <li>○ staff appointed on a long-term contract</li> <li>○ administration standards met</li> </ul> </li> </ul> </li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 6: Social cohesion and safe communities</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Grant purpose</li> <li>• Outcome indicators</li> <li>• Grant outputs</li> <li>• Output indicators</li> <li>• Key activities</li> </ul>
<b>Conditions</b>	<p><b>Provincial compliance</b></p> <ul style="list-style-type: none"> <li>• Provinces must ensure that: <ul style="list-style-type: none"> <li>○ all structures at all levels are aligned to the 16 Department Of Sport, 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)</li> <li>○ 50 per cent of hubs and clubs supported must be from rural and farm areas</li> <li>○ list of schools, hubs and clubs must be provided with the business plan and the support required</li> <li>○ performance evidence in prescribed format must be timeously submitted, irrespective of the status of the project, as per the technical indicator descriptors</li> <li>○ 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</li> <li>○ all sport equipment and attire, must be purchased through the transversal tender as appointed by DSAC</li> <li>○ the Sport Trust shall be the implementing agency for the National School Championships. Provinces will sign an Service Level Agreement (SLA) with the Sports Trust for related transversal expenses</li> </ul> </li> <li>• The provincial allocation must be utilised as follows: <ul style="list-style-type: none"> <li>○ school sport: 40 per cent</li> <li>○ community sport and active recreation: 39 per cent</li> <li>○ sport academies: 9 per cent</li> <li>○ transversal matters: 4 per cent</li> <li>○ management: 8 per cent</li> </ul> </li> <li>• Provinces, based on their provincial dynamics, may apply to the transferring officer to change the above sub-allocations</li> </ul>

<b>Mass Participation and Sport Development Grant</b>	
	<p><b>School sport: 40 per cent</b></p> <ul style="list-style-type: none"> <li>• Provinces must ring-fence R5 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</li> <li>• The remaining school sport allocation must be allocated as follows: <ul style="list-style-type: none"> <li>○ 10 per cent for training of people to deliver school sport</li> <li>○ 20 per cent to purchase equipment and or attire for schools below quintile 3 identified through participation in leagues</li> <li>○ 39 per cent to deliver school sport leagues at local and district levels</li> <li>○ 14 per cent to remunerate coordinators who coordinate, support, monitor and evaluate school sport at district and local levels</li> <li>○ 14 per cent to support schools participating in school sport programme</li> <li>○ 3 per cent for the sport ambassadors programmes supported</li> </ul> </li> </ul> <p><b>Community sport and active recreation: 39 per cent</b></p> <ul style="list-style-type: none"> <li>• <b>Active recreation: 19 per cent</b> <ul style="list-style-type: none"> <li>○ 35 per cent for organised sport and recreation activities in communities</li> <li>○ 15 per cent for provincial indigenous games competition</li> <li>○ 15 per cent to purchase equipment and attire</li> <li>○ 15 per cent for remuneration of community sport coordinators</li> <li>○ 5 per cent for ministerial outreach programmes</li> <li>○ 15 per cent for training</li> </ul> </li> <li>• <b>Club development: 20 per cent</b> - the portion of the grant ring-fenced for club development must be allocated as follows: <ul style="list-style-type: none"> <li>○ 65 per cent to support leagues and the clubs that are in the rural sport development programme club development</li> <li>○ 15 per cent for accredited training in sport administration, team management, coaching and technical officiating</li> <li>○ 15 per cent to purchase sport equipment and attire</li> <li>○ 5 per cent for remuneration of club development coordinators</li> </ul> </li> <li>• <b>Sports academies: 9 per cent</b> - 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</li> <li>• The SLA between the departments and provincial academies must be entered into to deliver the academy programmes and annual performance plans for the departments <ul style="list-style-type: none"> <li>○ 40 per cent for resourcing of district and provincial academies (equipment and remuneration of personnel)</li> <li>○ 45 per cent for athlete development programmes supported as guided by sport academy framework</li> <li>○ 15 per cent training to support sport academy programmes</li> </ul> </li> </ul> <p><b>Transversal matters: 4 per cent</b></p> <ul style="list-style-type: none"> <li>• <b>Provincial sport confederation: 2 per cent</b> - provinces may transfer funds to the provincial sport confederation provided: <ul style="list-style-type: none"> <li>○ a transfer plan has been developed and submitted together with a signed business plan approved by DSAC</li> <li>○ a SLA has been entered into between the provincial department and the provincial sport confederation stating clearly what is expected of the provincial sport confederation</li> <li>○ a monitoring mechanism is in place to monitor expenditure and performance by the sport confederation as per the SLA</li> </ul> </li> <li>• <b>Provincial programmes: 1 per cent</b> <ul style="list-style-type: none"> <li>○ These are specific provincial programmes that contribute to the “I Choose 2B Active” Campaign and Recognition programme</li> </ul> </li> <li>• <b>Branding: 1 per cent</b> <ul style="list-style-type: none"> <li>○ Branding for the sport and recreation events</li> </ul> </li> </ul> <p><b>Management: 8 per cent</b></p> <ul style="list-style-type: none"> <li>• <b>Appointing staff: 7 per cent</b> <ul style="list-style-type: none"> <li>○ Provinces are expected to utilise this portion of the allocation for the appointment of staff</li> <li>○ 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</li> </ul> </li> <li>• <b>Administration: 1 per cent</b> <ul style="list-style-type: none"> <li>○ 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</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Each province is allocated a baseline of R20 million, thereafter the equitable share formula proportions are applied to determine the remaining amount</li> <li>• The Northern Cape’s allocation is increased 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</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The conditional grant is assisting the sport sector in implementing the National Sport and Recreation Plan objectives</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R604 million was allocated and R604 million (100 per cent) was transferred to provinces. R607 million</li> </ul>

<b>Mass Participation and Sport Development Grant</b>	
	<p>was available for provinces to spend (including provincial roll-over of R4 million). 583 million (96 per cent) was spent by provinces</p> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 374 255 people actively participating in organised sport and active recreation events</li> <li>• 165 254 learners participating in school sport tournaments at district level</li> <li>• 4 165 schools, hubs and clubs provided with equipment and/ or attire</li> <li>• 5 289 athletes supported by the sport academy</li> <li>• 50 sport academies supported</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R618 million; 2025/26: R626 million; and 2026/27: R655 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Four instalments: 31 May 2024; 30 August 2024; 29 November 2024 and 31 January 2025</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Evaluate annual reports for the 2023/24 grants for submission to the National Treasury by 31 July 2024</li> <li>• Agree on outputs and targets with provincial departments in line with grant objective for 2025/26 by 29 November 2023</li> <li>• Provide the guidelines and criteria for the development and approval of business plans</li> <li>• Monitor implementation and provide support</li> <li>• Submit approved business plan for 2024/25 to the National Treasury by 30 April 2024</li> <li>• Submit quarterly performance reports to National Treasury 45 days after the end of each quarter</li> <li>• Ensure that all the conditional grant practice notes issued by National Treasury are adhered to</li> <li>• Desktop monitoring: analysis of monthly and quarterly reports received by provinces</li> <li>• Physical verification visits to the provinces to verify what has been reported in the monthly and quarterly reports</li> <li>• Hold quarterly review sessions with all conditional grant role players from the provinces</li> <li>• 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</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Submit the 2024/25 annual evaluation report to DSAC by 31 May 2024</li> <li>• Submit monthly reports as per the requirements contained in the 2024 Division of Revenue Act</li> <li>• Monitor progress of programmes delivered through the conditional grant</li> <li>• Ensure that conditional grant managers attend all national conditional grant meetings</li> <li>• Ensure that capacity exists to manage the grant and that there is a grant manager responsible for the grant framework, planning, implementation and reporting</li> <li>• Ensure organisational capacity to deliver on the programmes that are implemented through the grant</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces submit draft business plan to DSAC by 9 December 2024</li> <li>• DSAC evaluates draft business plans by 17 December 2024</li> <li>• Comments sent to provinces by 16 January 2025</li> <li>• Provinces submit revised business plans to DSAC by 10 February 2025</li> <li>• Head of department approves business plan by 2 April 2025</li> <li>• DSAC submits business plans to National Treasury by 29 April 2025</li> </ul>

## TRANSPORT GRANTS

<b>Provincial Roads Maintenance Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 40)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 4, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To ensure efficient and effective investment in provincial roads to implement the Road Infrastructure Strategic Framework for South Africa in line with the S’hamba Sonke Road programme and other related road programmes</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To supplement provincial investments for road infrastructure maintenance (routine, periodic and special maintenance)</li> <li>• 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</li> <li>• To implement and maintain road asset management systems</li> <li>• To supplement provincial projects for the repair of roads and bridges damaged by unforeseen incidents including natural disasters</li> <li>• To improve road safety with a special focus on pedestrian safety in rural areas</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improve the condition and lifespan of provincial roads and level of service backed by a periodic five-year review of the road network conditions <ul style="list-style-type: none"> <li>○ improved rates of employment and community participation through labour-intensive construction methodologies and skills development through the delivery of roads infrastructure projects</li> </ul> </li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Network condition assessment and determination of priority projects list from the road asset management systems</li> <li>• The following actual delivery related measures against 2024/25 targets defined in the final road asset management plan and annual performance plan for each province: <ul style="list-style-type: none"> <li>○ number of m<sup>2</sup> of surfaced roads rehabilitated (quarterly)</li> <li>○ number of m<sup>2</sup> of surfaced roads resurfaced (overlay or reseal)</li> <li>○ number of m<sup>2</sup> of blacktop patching (including pothole repairs)</li> <li>○ number of kilometres of gravel roads re-gravelled</li> <li>○ number of kilometres of gravel roads bladed</li> <li>○ number of kilometres of gravel roads upgraded (funded from provincial equitable share)</li> </ul> </li> <li>• The following performance, based on national job creation indicators: <ul style="list-style-type: none"> <li>○ number of jobs created</li> <li>○ number of full time equivalents created</li> <li>○ number of youths employed (age 18 – 35)</li> <li>○ number of women employed</li> <li>○ number of people living with disabilities employed</li> </ul> </li> <li>• Number of small, medium micro enterprises contracted on the provinces’ contractor development programme</li> <li>• Updated road condition data (paved and unpaved) including instrumental/automated road survey data, traffic data, safety audit or assessment report and bridge conditions</li> <li>• Number of modular steel bridges completed under Welisizwe Rural Bridges Programme</li> <li>• Number of m<sup>2</sup> of surfaced roads rehabilitated and gravel roads surfaced using refurbishment funds</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 2: Economic transformation and job creation</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses a road asset management plan which contains the following details: <ul style="list-style-type: none"> <li>○ network hierarchy</li> <li>○ performance management framework</li> <li>○ gap analysis</li> <li>○ information and systems, and lifecycle planning</li> <li>○ current and future demand</li> <li>○ financial plan</li> <li>○ monitoring, reviewing and continual improvements</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• This grant funds routine, periodic and special maintenance road infrastructure projects</li> <li>• This grant may fund visual condition inspections, and not more than R6500/km and R2500/km may be used for paved and gravel roads respectively</li> <li>• Provinces may use a maximum of 25 per cent of the allocation for rehabilitation activities, which includes the surfacing or block paving of gravel roads</li> <li>• Any other improvements to roads and new facilities must be funded from the provincial equitable share</li> <li>• The framework must be read in conjunction with the practice note issued by the national Department of Transport (DoT) as agreed with National Treasury</li> <li>• Provinces must show commitment by budgeting from the provincial equitable share to match or exceed grant allocations</li> <li>• Final road asset management plan and tabled project list for the 2024 medium term expenditure framework (MTEF) in a table B5 format finalised by 31 January 2024</li> <li>• The payment of the first instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following:</li> </ul>

<b>Provincial Roads Maintenance Grant</b>	
	<ul style="list-style-type: none"> <li>○ final road asset management plan and tabled project list for the 2024 MTEF in a table B5 format by 31 January 2024</li> <li>○ submission to DoT of all the monthly and quarterly performance reports that have become due for the 2023/24 financial year, in terms of the 2024 Division of Revenue Act and the requirements of this framework, prior to date of release of payment</li> <li>● The payment of the second instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following: <ul style="list-style-type: none"> <li>○ first quarter monthly infrastructure reporting model expenditure reports</li> <li>○ the signed-off fourth quarter performance report for the 2023/24 financial year in terms of the 2023 Division of Revenue Act</li> <li>○ the signed-off annual grant performance evaluation report by 30 May 2024</li> <li>○ the signed-off first draft 2025 MTEF road asset management plan and project list in table B5 format as required by the Division of Revenue Act and the requirements of this framework by 28 June 2024</li> </ul> </li> <li>● The payment of the third instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following: <ul style="list-style-type: none"> <li>○ submission of signed-off first quarter Provincial Roads Maintenance Grant (PRMG) performance report for the 2024/25 financial year by 31 July 2024</li> <li>○ monthly infrastructure reporting model expenditure reports for quarter two</li> <li>○ submission of the road condition and traffic data as per requirements of the PRMG practice note by 30 September 2024</li> <li>○ submission of the signed-off infrastructure programme management plan for the 2025 MTEF including the 2025 MTEF project list by 30 August 2024</li> <li>○ submission of signed-off road asset management systems data submission in the correct THM18 format by 30 September 2024</li> <li>○ the submission of signed-off first quarter report for Welisizwe Rural Bridges Programme by 31 July 2024</li> </ul> </li> <li>● The payment of the fourth instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following: <ul style="list-style-type: none"> <li>○ Signed-off infrastructure programme implementation plan (IPIP) for the 2025 MTEF including 2025 project list by 30 November 2024</li> <li>○ the submission of the signed-off second quarter performance report for the 2024/25 financial year by 31 October 2024</li> <li>○ the submission of signed-off second quarter report for Welisizwe Rural Bridges Programme by 31 October 2024</li> <li>○ signed-off monthly infrastructure reporting model expenditure reports for quarter three</li> </ul> </li> <li>● Provinces must submit to the DoT, 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 2024</li> <li>● Provinces must ensure that the Table B5 project list is compliant to the PRMG conditional grant framework and all projects are registered on the infrastructure reporting model</li> <li>● The PRMG allocation can be allocated to the following projects as identified and prioritised through the provincial road asset management systems: <ul style="list-style-type: none"> <li>○ routine maintenance (operating expenditure): 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 re-graveling, and blading</li> <li>○ periodic maintenance (operating expenditure): includes periodically scheduled activities such as fog sprays/diluted emulsions/rejuvenators, surface seals and functional asphalt overlays &lt; 50 mm in thickness. For gravel roads it includes re-gravelling up to 100 mm thick</li> <li>○ special maintenance (operating expenditure): 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 &lt; 50 mm. Also includes reinstatement of slope stability, repairs to existing structures and the repair of damage caused by floods or accidents</li> <li>○ rehabilitation (capital expenditure): 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 &gt; 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</li> </ul> </li> <li>● The PRMG maintenance component allocation cannot be allocated to the following projects: <ul style="list-style-type: none"> <li>○ any costs associated with feasibility studies, tendering and programme management support</li> <li>○ the hire, purchasing, repairs, maintenance and operational costs of construction plant and equipment</li> <li>○ improvements (capital expenditure): 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 in 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 localized geometric and intersection improvements. These activities could in some instances include complete rehabilitation of the existing pavement structure</li> <li>○ the upgrading of gravel roads to surface roads, the construction of new roads and new interchanges do not qualify for funding under this grant</li> <li>○ new facilities (capital expenditure): this comprises work that aims to improve network capacity and includes the upgrading of earth (dirt) road to an engineered gravel road, the upgrading of a gravel road</li> </ul> </li> </ul>

<b>Provincial Roads Maintenance Grant</b>																															
	<p>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</p> <ul style="list-style-type: none"> <li>The following allocations are specifically and exclusively allocated for the construction of gravel roads upgraded to surface, roads refurbished and Welisizwe Rural Bridges Programme (allocated through Budget Facility for Infrastructure):</li> </ul> <table style="margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: center;"><b>Refurbishment</b></th> <th style="text-align: center;"><b>Welisizwe Rural Bridges</b></th> </tr> </thead> <tbody> <tr> <td>○ Eastern Cape</td> <td style="text-align: center;">R349 million</td> <td style="text-align: center;">R223 million</td> </tr> <tr> <td>○ Free State</td> <td style="text-align: center;">R369 million</td> <td style="text-align: center;">R181 million</td> </tr> <tr> <td>○ Gauteng</td> <td style="text-align: center;">R550 million</td> <td></td> </tr> <tr> <td>○ KwaZulu-Natal</td> <td style="text-align: center;">R561 million</td> <td style="text-align: center;">R223 million</td> </tr> <tr> <td>○ Limpopo</td> <td style="text-align: center;">R438 million</td> <td style="text-align: center;">R223 million</td> </tr> <tr> <td>○ Mpumalanga</td> <td style="text-align: center;">R415 million</td> <td style="text-align: center;">R223 million</td> </tr> <tr> <td>○ Northern Cape</td> <td style="text-align: center;">R345 million</td> <td></td> </tr> <tr> <td>○ North West</td> <td style="text-align: center;">R370 million</td> <td style="text-align: center;">R181 million</td> </tr> <tr> <td>○ Western Cape</td> <td style="text-align: center;">R591 million</td> <td></td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>The PRMG refurbishment component allocation may only be allocated to: <ul style="list-style-type: none"> <li>upgrading of earth (dirt) road to an engineered gravel road, the upgrading of a gravel road to a surfaced road</li> <li>refurbishment of provincial strategic road network</li> </ul> </li> <li>All projects under the refurbishment component must be included in business plans, and with approval from the DoT</li> <li>Business plans for the Welisizwe Rural Bridges Programme allocation must be submitted to the DoT and Department of Public Works and Infrastructure (DPWI) prior to the transfer of allocations</li> <li>Welisizwe Rural Bridges Programme funds may only be utilised for projects as listed in the approved DPWI-provincial departments of transport memorandum of understanding and business plans</li> <li>Monthly performance reports on the Welisizwe Rural Bridges Programme allocations must be submitted to the DoT and DPWI</li> <li>Detailed monthly progress must be reported on the infrastructure reporting model</li> </ul>		<b>Refurbishment</b>	<b>Welisizwe Rural Bridges</b>	○ Eastern Cape	R349 million	R223 million	○ Free State	R369 million	R181 million	○ Gauteng	R550 million		○ KwaZulu-Natal	R561 million	R223 million	○ Limpopo	R438 million	R223 million	○ Mpumalanga	R415 million	R223 million	○ Northern Cape	R345 million		○ North West	R370 million	R181 million	○ Western Cape	R591 million	
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<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on the PRMG formula, which takes into account the extent of the provincial road network (gravel/paved), the traffic volumes, the visual condition indices on the network and geo-climatic and topographic factors</li> <li>A separate component for the Welisizwe Rural Bridges Programme exists outside of the PRMG allocation and allocations are based on projects submitted to and approved by DPWI and DoT</li> <li>Unallocated amounts in 2025/26 and 2026/27 will be allocated as an incentive based on the level of service efficiency achieved in road project investments undertaken</li> </ul>																														
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant is intended to ensure that provinces give priority to road infrastructure and promote efficiency in road investment</li> </ul>																														
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Of the R12.7 billion allocated, R13.3 billion (104.7 per cent) was spent by provinces by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Provinces developed and updated the road asset management plan</li> <li>7 169 km of surfaced roads visually assessed as per the applicable technical methods for highway manual</li> <li>10 344 km of gravel roads visually assessed as per the applicable technical methods for highway manual</li> <li>181 km surfaced roads rehabilitated</li> <li>5 007 212 m<sup>2</sup> (1 431 effective km) of surfaced roads resurfaced (overlay or reseal)</li> <li>1 820 389 m<sup>2</sup> of roads were patched (effectively 520 km of blacktop patching, including pothole repairs)</li> <li>5 265 km of gravel roads re-gravelled</li> <li>338 334 km of gravel roads bladed</li> <li>142 574 jobs created (work opportunities)</li> <li>49 300 full-time equivalents created</li> <li>44 498 youths employed (18-35)</li> <li>98 019 women employed</li> <li>684 people living with disabilities employed</li> </ul>																														
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant is ongoing, but will be subject to periodic review</li> </ul>																														
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R16.7 billion; 2025/26: R17.9 billion; and 2026/27: R17.3 billion</li> </ul>																														
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Payment will be made in accordance with a payment schedule agreed to with provinces and approved by National Treasury</li> </ul>																														
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Ensure that the Table B5 project list is reviewed, verified, and validated to comply with the PRMG conditional grant framework and that all projects are registered in required reporting systems and kept up to date by the provinces. This includes on-going feedback and engagements with provinces to ensure compliance</li> <li>Submit quarterly performance reports to National Treasury 45 days after the end of each quarter</li> <li>Submit annual National Road Assessment Management Plan to National Treasury by 28 March 2025</li> <li>Submit a grant evaluation report to National Treasury four months after the end of the financial year</li> </ul>																														



<b>Provincial Roads Maintenance Grant</b>	
	<ul style="list-style-type: none"> <li>• Review the performance-based allocation mechanism for use in determining future allocations</li> <li>• Confirm the correctness of data submitted by provinces by assessing a representative sample</li> <li>• Ensure that road asset management plan project list and infrastructure reporting model are updated and aligned</li> <li>• Upload submitted road condition data into a central repository</li> <li>• Monitor project implementation through on-going engagements, quarterly through bilateral and site inspections</li> <li>• 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 the 2024 Division of Revenue Act. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments of the 2024 Division of Revenue Act</li> <li>• Put in place national transversal appointments and internal mechanisms to assist the identified provinces to implement the projects submitted by the provinces through the use of the national transversal appointments</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Provincial departments must submit monthly infrastructure reports that comply with the infrastructure reporting model to DoT and the relevant provincial treasury 22 days after the end of each month</li> <li>• Provinces must align the road asset management plan, project list and ensure the Table B5 project list is registered on the infrastructure reporting model, the ERS, eQPR systems and the roads authority report annual performance plan and that these systems are kept up to date</li> <li>• Identification and preparation of project profile reports in partnership with the DoT</li> <li>• Identification and submission of projects to be implemented by the DoT</li> <li>• Reports from provinces shall also have information on job creation and contractor development programme</li> <li>• 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</li> <li>• Submit completed and signed-off annual grant performance evaluation reports two 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</li> <li>• Provincial departments must implement their projects in line with the S’hamba Sonke and the Expanded Public Works Programme guidelines</li> <li>• Ensure that approved grant funded projects are published as part of the Estimates of Provincial Revenue and Expenditure through the provincial legislative processes</li> <li>• Ensure projects are selected using road asset management system as the primary source of information</li> <li>• Design and implement projects in compliance with the S’hamba Sonke principles and Expanded Public Works Programme guidelines</li> <li>• 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 2024</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Provinces must submit a draft 2025/26 road asset management plan with a minimum of five years of planned projects selected using road asset management system as the primary source, by 28 June 2024</li> <li>• Provinces must submit the infrastructure programme management plan including 2025 MTEF project list by 30 August 2024</li> <li>• Road asset management plans, including 2025 MTEF prioritised project lists (the infrastructure programme management plan) must be reviewed by DoT and feedback provided by 30 September 2024. Provinces must submit the infrastructure programme management plan including 2025/26 delivery project list by 30 November 2024 and must be reviewed by DoT and feedback provided by 30 December 2024</li> <li>• Provinces to submit final 2025/26 road asset management plan and Table B5 project list to DoT, the relevant provincial treasury and National Treasury by 31 January 2025 indicating all the required planned targets</li> </ul>

<b>Public Transport Operations Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 40)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 4, Part A</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Subsidised road based public transport services</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide supplementary funding towards public transport services provided by provincial departments of transport</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• The provision of public transport services in terms of contracts which are kilometre based and affordable to the users of the services</li> <li>• <b>Improved efficiencies in public transport spending</b></li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of vehicles subsidised</li> <li>• Number of vehicles subsidised (cumulative annual number)</li> <li>• Number of trips operated</li> <li>• Number of passengers</li> <li>• Number of kilometres</li> <li>• Number of employees</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 2: Economic transformation and job creation</li> <li>• Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• If the contracting function is devolved to any municipality before the 2024/25 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 2024 Division of Revenue Act</li> <li>• 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 (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 the 2024 Division of Revenue Act requirements. Provinces must take all reasonable measures to assist the transition within a framework to be prescribed by the national Department of Transport (DoT) and National Treasury</li> <li>• 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 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</li> <li>• For the purpose of planning provinces must establish public transport integration committees. The provinces must share relevant information with municipalities relating to this grant, where services link to integrated public transport networks</li> <li>• All new contracts, including designs and operators' business plans detailing subsidised services, must be assessed by the public transport integration committees, to ensure that they are in line with relevant legislation and in compliance with the public transport strategy and recommended for approval. Where an intermodal planning committee is established at municipal level, in terms of the National Land Transport Act 5 of 2009 the functions of the two committees must be consolidated to ensure integration of planning, services and modes</li> <li>• Provinces must ensure that public transport integration committees are functional and that no new contracts are paid from the grant if they are not considered by the public transport integration committees</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on 2009 Division of Revenue Act 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</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Subsidies are earmarked for the provision of public transport services</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• Allocated and transferred R7.1 billion to provinces of which R6.5 billion was spent by the end of the national financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Number of vehicles subsidised: 6 383</li> <li>• Number of kilometres subsidised: 212 363 562</li> <li>• Subsidy per passenger: R26.27</li> <li>• Subsidy per kilometre operated: R30.79</li> <li>• Passengers per vehicle: 3 248</li> <li>• Passengers per trip operated: 46.7</li> <li>• Employees per vehicle: 2.0</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• As provided for in the National Land Transport Act 5 of 2009</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R7.7 billion; 2025/26: R8.1 billion; and 2026/27: R8.5 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Monthly instalments according to a payment schedule approved by National Treasury</li> </ul>

<b>Public Transport Operations Grant</b>	
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Disburse allocations to provinces</li> <li>• Collect and evaluate operational and financial data from provinces and consolidate for submission to National Treasury</li> <li>• Maintain a national database with key performance indicators of public transport services as per data received from provinces</li> <li>• Submit quarterly and annual reports to National Treasury in line with the 2024 Division of Revenue Act requirements and time frames</li> <li>• Advise provinces/contracting authorities regarding the design of contracted services</li> <li>• 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 the 2024 Division of Revenue Act. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of the 2024 Division of Revenue Act</li> </ul> <p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>• Any contractual agreement entered into in relation to this grant will be the responsibility of the contracting authority</li> <li>• Provincial departments remain responsible for funding any shortfall experienced on this grant from their provincial equitable share</li> <li>• Ensure that contracted operators' certified claims are paid within 30 days from the date of receipt</li> <li>• 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</li> <li>• 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</li> <li>• The Public Transport Operations Grant reports must be signed by the Accounting Officer or delegated official in terms of the Public Finance Management Act</li> <li>• Provinces must inform the transferring officer of any disputes or challenges that may lead to service disruptions</li> <li>• Provinces must ensure that public transport integration committees are established and new public transport contracts are to be considered by the public transport integration committees for approval</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

## **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 2024 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
- 2024 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving municipalities
- Process for approval of business plans for 2025/26

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, 2024 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2024/25 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

## COOPERATIVE GOVERNANCE GRANTS

<b>Integrated Urban Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Cooperative Governance (Vote 3)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To support spatially aligned public infrastructure investment that will lead to functional and efficient urban spaces and ultimately unlock growth</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• To ensure that public investments are spatially aligned and to promote the sound management of the assets delivered</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved access to municipal infrastructure</li> <li>• Improved quality of municipal services through infrastructure that is in better condition</li> <li>• Improved spatial integration</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of new water connections meeting minimum standards</li> <li>• Number of new sewer connections meeting minimum standards</li> <li>• Number of dwellings provided with connections to the main electricity supply by the municipality</li> <li>• Percentage of known informal settlements receiving integrated waste handling services during the financial year</li> <li>• Additional square meters of parks provided during the financial year</li> <li>• Additional square meters of outdoor sports facilities provided during the financial year</li> <li>• Additional square meters of public open space provided during the financial year</li> <li>• Number of additional community halls provided during the financial year</li> <li>• Number of additional libraries provided during the financial year</li> <li>• Percentage of unsurfaced roads graded within the financial year</li> <li>• Percentage of surfaced municipal road lanes which has been resurfaced and resealed</li> <li>• Length of non-motorised transport paths built over the financial year</li> <li>• Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs</li> <li>• Number of specialised vehicles for waste management (as defined in annexures A and B of the norms and standards for specialised waste vehicles) purchased to service the poor</li> <li>• Number of urgent repairs and refurbishment undertaken on municipal infrastructure</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses a three-year capital programme that is aligned with a 10-year Capital Expenditure Framework (CEF)</li> <li>• The three-year capital programme must demonstrate alignment with the municipal Integrated Development Plan (IDP), sector masterplans, District One Plans developed in terms of the District Development Model (DDM), and the Integrated Urban Development Framework (IUDF) outputs and outcomes</li> <li>• 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"> <li>○ classification of sub-programme as informal settlement upgrading, other new infrastructure or renewal</li> <li>○ anticipated outputs</li> <li>○ indication of the proportion of outputs that will be delivered in priority areas as identified in the Spatial Development Framework</li> <li>○ indication of the proportion of outputs that will benefit low-income households, high income households or non-residential customers</li> </ul> </li> <li>• The three-year capital programme must demonstrate appropriate co-funding for the portion of the programme that does not benefit low-income households</li> <li>• The three-year capital programme must be developed in accordance with the planning, administration and implementation phases of project management</li> <li>• 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 (MIG)</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• IUDG funds may only be spent on: <ul style="list-style-type: none"> <li>○ 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</li> <li>○ new infrastructure, upgrading existing infrastructure or renewing existing infrastructure</li> <li>○ maintenance of roads infrastructure mainly serving the poor</li> <li>○ specialised waste management vehicles servicing the poor</li> <li>○ undertaking specified planning and programme management activities</li> </ul> </li> <li>• Municipalities with non-compliance pre-directives or directives from relevant sector departments may use up to 10 per cent of their IUDG allocation for urgent repairs and refurbishment, provided that data is based on the respective sector master plans and/or asset management plans. This is subject to prior approval from DCoG</li> </ul>

<b>Integrated Urban Development Grant</b>	
	<ul style="list-style-type: none"> <li>• IUDG receiving municipalities must submit their infrastructure asset management plans, accompanied by an excel copy of the municipality's audited asset register to the Department of Cooperative Governance (DCoG) by 30 April 2024</li> <li>• MIG project commitments not completed with the transition from the MIG programme to the IUDG programme take priority in terms of funding allocation and accounted for both through the MIG-MIS and the IUDG reporting structures, until the projects are fully completed</li> <li>• Before newly participating municipalities can receive their first tranche, their three-year capital programme and 10-year CEF must have been approved through processes led by DCoG</li> <li>• An IUDG receiving municipality must use the Public Infrastructure Unit Cost Guidelines, 2021 edition, for the costing of IUDG funded projects</li> <li>• A maximum of 5 per cent of a municipality's IUDG base allocation may be used for programme management costs related to grant funded projects, only if a business plan for their Programme Management Unit (PMU) is submitted for assessment and recommendation by the provincial department responsible for local government; and 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</li> <li>• The 2024/25 financial year PMU business plans must be submitted to DCoG for approval, by not later than 30 April 2024</li> <li>• The performance-based component of the IUDG can only be used for new, upgrading and rehabilitation of basic services infrastructure</li> <li>• The planning component is only provided to new entrants to the IUDG programme and the allocation must be used to develop, review, strengthen and ensure alignment between the CEFs, three-year capital programme, IUDF, asset management plans and district one plans</li> <li>• An IUDG receiving municipality must spend at least 60 per cent of its transferred amount, before the next transfer</li> <li>• An IUDG receiving municipality must spend at least 45 per cent of its allocation by December 2024</li> <li>• IUDG funds can be used for road maintenance only if projects are planned and prioritised using asset management plans</li> <li>• Municipalities that have allocations gazetted for specific sport infrastructure projects funded from the ring-fenced sport funds may only spend these allocations on the projects identified by the Department of Sports, Arts and Culture (DSAC)</li> <li>• 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 two years of the implantation of the PIP, if they are to remain part of this grant. DCoG will continue to monitor the PIPs for Polokwane Local Municipality and Sol Plaatje Local Municipality</li> <li>• Municipalities implementing a PIP must submit quarterly reports on its progress to DCoG</li> <li>• Municipalities using IUDG funding to purchase specialised vehicles for waste management must prepare a technical assessment report (TAR) which must comply with the norms and standards for specialised waste management vehicles. The TAR must demonstrate that IUDG funds will only be used for the expansion of waste management services to poor households not previously served. The purchase will only be done through the National Treasury's RT57 transversal contract and the TAR must include a recommendation from the provincial Department of Forestry, Fisheries and the Environment (DFFE) and a final approval from the national DFFE before it is considered. Vehicles may not be purchased with IUDG funds for other purposes</li> <li>• IUDG receiving municipalities must comply with sector norms, standards and legislation, in implementing the three-year capital programme</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are focused on municipalities whose circumstances align with the IUDG's criteria, these include: higher urban population densities and high economic activity</li> <li>• The IUDG includes a base component that is derived from the MIG formula explained in part five of Annexure W1 of the 2024 Division of Revenue Bill; a performance-based component and a 3 per cent planning component</li> <li>• 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"> <li>○ non-grant capital as a percentage of total capital expenditure (40 per cent)</li> <li>○ repairs and maintenance expenditure (30 per cent)</li> <li>○ asset management plan (30 per cent)</li> <li>○ land use applications in priority areas (0 per cent - this factor is dormant in 2024/25)</li> <li>○ building plan applications in priority areas (0 per cent - this factor is dormant in 2024/25)</li> </ul> </li> <li>• An equivalent of 3 per cent of the MIG formula allocation for newly 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"> <li>○ a detailed three-year capital programme and a 10-year CEF</li> <li>○ property market empirical and diagnostic studies</li> <li>○ integrated infrastructure and spatial planning for identified integration zones</li> <li>○ investment pipeline development</li> <li>○ municipal systems and/or measures to improve ease of doing business such as construction permits and land use applications</li> <li>○ development or review of infrastructure asset management plans</li> </ul> </li> </ul>

<b>Integrated Urban Development Grant</b>	
	<ul style="list-style-type: none"> <li>○ identified priority areas for spatial transformation in line with the Spatial Development Framework and CEF</li> <li>○ development of infrastructure financing strategies and instruments including finance strategy for green and climate resilient infrastructure</li> <li>○ implementation of an agreed performance improvement plan</li> <li>○ private sector engagement strategy and programme indicating how the municipality will partner with different stakeholders on the delivery of the CEF</li> <li>○ development of climate change mitigation and adaptation plan or strategy</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>● This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>● The IUDG allocation for 2022/23 was R1.1 billion and 100 per cent of the allocated funds were spent in 2022/23</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>● 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"> <li>○ 9 731 households provided with basic water and sanitation services</li> <li>○ 319 households provided with electricity</li> </ul> </li> <li>● Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure): <ul style="list-style-type: none"> <li>○ two landfill solid waste disposal sites developed and one transfer station</li> <li>○ one swimming pool constructed</li> <li>○ one sport and recreation facilities developed</li> <li>○ 16.53 kilometres of municipal roads developed</li> <li>○ 19.75 kilometre of municipal roads upgraded and rehabilitated</li> <li>○ 67 streetlights and 10 high-mast lights installed</li> <li>○ four community halls developed</li> </ul> </li> <li>● 1 194 FTEs created using the EPWP guidelines for the above outputs</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● The programme will continue up to 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>● 2024/25: R1.1 billion; 2025/26: R1.2 billion and 2026/27: R1.3 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● The grant will be paid in three instalments: July 2024, December 2024 and March 2025, in line with the payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national departments</b></p> <ul style="list-style-type: none"> <li>● DCoG administers the IUDG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must: <ul style="list-style-type: none"> <li>○ monitor expenditure and non-financial performance in collaboration with provincial departments of cooperative governance</li> <li>○ coordinate overall programme implementation</li> </ul> </li> <li>● The Municipal Infrastructure Support Agent must support municipalities that have been identified collaboratively by DCoG and its provincial counterparts as needing assistance</li> <li>● DFFE must make the final recommendation on the TAR for the purchasing of specialised waste management vehicles</li> <li>● In addition to the sector-specific support and advice, the Department of Water and Sanitation, DFFE, Department of Transport, Department of Mineral Resources and Energy and DSAC will be expected to: <ul style="list-style-type: none"> <li>○ provide sector policies and plans to municipalities as informants to the preparation of CEFs</li> <li>○ participate in processes to approve the 10-year CEF and three-year capital programme</li> <li>○ 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</li> </ul> </li> </ul> <p><b>Responsibilities of the provincial departments</b></p> <ul style="list-style-type: none"> <li>● Provincial departments responsible for local government must: <ul style="list-style-type: none"> <li>○ coordinate technical support to municipalities</li> <li>○ provide assistance to municipalities in managing municipal infrastructure projects</li> <li>○ participate in processes to approve the 10-year CEF and three-year capital programme</li> <li>○ participate in in-year monitoring meetings</li> <li>○ verify outputs and outcomes reported by municipalities on a sample of projects annually</li> </ul> </li> <li>● Provincial treasuries must: <ul style="list-style-type: none"> <li>○ participate in processes to approve the 10-year CEF and three-year capital programme</li> <li>○ participate in in-year monitoring meetings</li> </ul> </li> <li>● Provincial departments of environment, forestry and fisheries are responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles to the national Department of Environment, Forestry and Fisheries</li> </ul> <p><b>Responsibilities of the municipalities</b></p> <ul style="list-style-type: none"> <li>● Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and this must be informed by the IDP, three-year capital programme and the 10-year CEF</li> <li>● Municipalities must monitor projects during the year and use this monitoring to inform reporting to DCoG</li> <li>● Municipalities must report monthly, quarterly and at the end of the financial year in the prescribed format(s) and timelines</li> <li>● Monthly, quarterly and annual reports must be signed-off by the Accounting Officer or the delegated official and submitted directly to DCoG</li> </ul>

<b>Integrated Urban Development Grant</b>	
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Eligibility for the IUDG and minimum conditions for qualification are outlined in Annexure W1 to the 2024 Division of Revenue Bill</li> <li>• If a Category B municipality wishes to apply for the IUDG for 2025/26 and is not already classified as an intermediate city municipality, it must submit an application to be classified as an intermediate city municipality by 2 May 2024. The municipality will receive notification of the outcome of its application by 28 June 2024</li> <li>• 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 31 July 2024</li> <li>• IUDG receiving municipalities must submit data for the calculation of the performance-based component (incentives) for approval by DCoG by not later than 30 August 2024, to inform the subsequent year's allocations</li> <li>• Municipalities that will be receiving the IUDG for the first time in 2025/26 must submit a first draft of the three-year capital programme and 10-year CEF to the transferring officer by 29 March 2024 and the final versions of the three-year capital programme and 10-year CEF must be adopted by respective councils by 31 May 2024</li> <li>• The adopted three-year capital programme and 10-year CEF must be submitted to DCoG with council resolution no later than 10 days after adoption by council</li> <li>• Municipalities that are already on the IUDG do not need to submit CEFs to DCoG annually unless they embarked on a process to review or amend their CEF and three-year capital programme in the prior year or advised by DCoG upon conducting a gap analysis on the existing CEF</li> <li>• The 2025/26 financial year PMU business plans must be submitted to DCoG for approval, by not later than 30 April 2025</li> </ul>



<b>Municipal Disaster Recovery Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance (Vote 3)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To restore functionality of municipal infrastructure following a disaster</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To rehabilitate and reconstruct municipal infrastructure damaged by a disaster</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Municipal infrastructure damaged by a disaster rehabilitated and reconstructed</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Municipal infrastructure damaged by a disaster reconstructed and rehabilitated</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the template/framework developed by the National Disaster Management Centre (NDMC) which must include a project implementation plan, highlighting: <ul style="list-style-type: none"> <li>copy of the applicable contingency plan and emergency procedures in use by the municipality (in terms of section 49(1)(d) of the Disaster Management Act) linked to Sections 56 and 57 of the same Act</li> <li>details of insurance and insured infrastructure, where applicable including factors outlined in Sections 56 and 57 of the same Act as well as proof from the insurance company on the matter</li> <li>an asset register that accurately reflects the projects for which funding has been applied</li> <li>list of projects to be implemented</li> <li>time-frames within which the projects will be implemented</li> <li>technical report (high level that explains viability and practicality)</li> <li>costs of reconstruction and rehabilitation projects, including personnel related costs</li> <li>disaster risk reduction measures for the proposed reoccurrence of disaster related damage in the future</li> <li>number of households to benefit from the projects and estimated jobs to be created</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>A business plan and project implementation plan signed by the Accounting Officer aligned to the post disaster verification assessment report must be submitted to the NDMC</li> <li>Disaster reconstruction and rehabilitation funds must only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans</li> <li>The grant may not be utilised for insured infrastructure. In case of inadequate insurance, reasons for inadequate insurance to be provided as well as proof from the insurer on the amount paid/ to be paid</li> <li>Funds may only be utilised for approved projects within affected municipalities, for the reconstruction and rehabilitation of infrastructure damaged by disaster incidents</li> <li>Monthly and quarterly financial and non-financial performance reports on disaster allocations must be submitted to the NDMC through the relevant Provincial Disaster Management Centre (PDMC)</li> <li>Annual performance evaluation report on financial and non-financial performance to be submitted to the NDMC through the relevant PDMC</li> <li>Municipalities must liaise and align the disaster recovery projects with the Municipal Infrastructure Grant projects to ensure proper monitoring and reporting on the progress for implementation of the projects</li> <li>To receive the first tranche, municipalities must have submitted a business plan identifying projects to be implemented through approved allocation confirming project planning and implementation readiness including cash flow projections and must confirm the appointment of a service provider</li> <li>Municipalities must spend at least 60 per cent of their previous transfers and comply with all grant conditions before subsequent tranches can be transferred</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated based on approved post-disaster reconstruction and rehabilitation assessment reports</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant caters for recovery after unforeseen disasters</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R3.3 billion was allocated and transferred to 16 municipalities, and R8.6 million was spent</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Expenditure was incurred to reconstruct and rehabilitate municipal infrastructure damaged by the floods in the Eastern Cape, KwaZulu-Natal and Western Cape</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant will continue until 2025/26, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R741 million and 2025/26: R709 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of National Disaster Management Centre</b></p> <ul style="list-style-type: none"> <li>Advise municipalities about the existence of the grant and its conditions</li> <li>Provide municipalities with a final post-disaster verification assessment report that includes a project list and projected costs for all infrastructure to be reconstructed or rehabilitated. This report must be provided through the relevant PDMC</li> <li>Monitor the implementation of projects together with the affected municipalities and provinces</li> <li>Make payments to municipalities in accordance with the approved payment schedule</li> <li>Transfer funds only when evidence on project performance and expenditure reports are submitted</li> </ul> <p><b>Responsibilities of Municipal Infrastructure Support Agency</b></p> <ul style="list-style-type: none"> <li>Where necessary, support the NDMC and PDMCs in conducting detailed assessments and verification of the damage to municipal infrastructure</li> <li>In collaboration with the relevant sector departments, assist the identified municipalities on appropriate infrastructure delivery models for the implementation of disaster projects</li> </ul>

<b>Municipal Disaster Recovery Grant</b>	
	<ul style="list-style-type: none"> <li>• Advise on the pre-engineering processes to be followed in the reconstruction of damaged infrastructure (Environmental Impact Assessments and Water Use License Applications)</li> <li>• Support the municipalities with improvements to municipal processes for planning, project prioritisation and selection. This includes detailed planning, scoping, designing, scheduling, costing and procurement implementation</li> <li>• Provide technical advice and expertise to identified municipalities on the use of alternative technologies</li> </ul>
	<p><b>Responsibilities of Provincial Disaster Management Centres</b></p> <ul style="list-style-type: none"> <li>• Advise municipalities about the existence of the grant and its conditions</li> <li>• Assist municipalities with the rapid assessment reports to be submitted to the NDMC</li> <li>• Provide support to municipalities with regard to the final post-disaster verification report</li> <li>• Ensure that the final post-disaster verification report is signed-off by both the Accounting Officer in the municipality and the provincial department</li> <li>• Provide a copy of the final post-disaster verification report to municipalities</li> <li>• Assist municipalities with business plans incorporating the implementation plan and disaster risk reduction measures for the proposed projects to prevent reoccurrence of disaster related damages in future</li> <li>• Monitor the performance of municipalities and recommend relevant measures required for under-performance to NDMC</li> <li>• Conduct on-site visits to monitor and report on the implementation of projects and provide reports of progress to the NDMC</li> <li>• Provide financial and non-financial reports to the NDMC within 15 days after the end of each month. Photographs depicting the projects progress should be included as an annexure</li> <li>• Provide expenditure and project performance reports including evidence to the NDMC within 35 days after the end of the quarter in which funds are spent</li> </ul>
	<p><b>Responsibilities of the District Management Centres</b></p> <ul style="list-style-type: none"> <li>• Provide implementation support</li> <li>• Monitor the implementation of disaster projects</li> <li>• Participate in the project steering committee meetings of the implementing municipality</li> <li>• Undertake on-site visits</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Undertake disaster assessments, prepare assessment report, funding request and submit to the PDMC</li> <li>• Develop and submit business plans incorporating implementation plans and disaster risk reduction measures for the proposed projects to prevent reoccurrence of disaster related damages in future</li> <li>• Activate municipal project task teams for implementation of approved disaster projects</li> <li>• Conduct on-site visits to monitor and evaluate the performance of projects and provide reports which include evidence to the NDMC through the relevant PDMC</li> <li>• Utilise the funds in line with the approved post-disaster verification assessment report</li> <li>• Submit reports on financial and non-financial information to the PDMC within five days of the end of each month in which funds are spent. Photographs depicting the project progress should be included as annexures</li> <li>• Submit a quarterly non-financial performance report signed-off by the Municipal Manager to the PDMC within 30 days after the end of each quarter in which funds are spent (in line with section 12(2)(c) of the 2024 Division of Revenue Act), together with supporting documentation such as certificate of payment, pictures, invoices, etc</li> <li>• Evaluate the financial and non-financial performance of the municipality and submit such evaluation signed-off by the Municipal Manager to relevant provincial treasury and the NDMC through the PDMC within two months after the end of the financial year (in line with section 12(5) of the 2024 Division of Revenue Act), together with supporting documentation such as certificate of payment, pictures, invoices, etc</li> <li>• Compile lessons learnt from post-grant intervention, outlining measures taken to reduce risks or enhance resilience. This should encompass an assessment of exposure to hazards, vulnerability and capacity, and hazard's characteristics as part of performance reporting</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

<b>Municipal Disaster Response Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance (Vote 3)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 7, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To enable timely response to address community needs regarding impending or disastrous events classified by the National Disaster Management Centre</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Immediate consequences of disasters are mitigated or alleviated</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Emergency repair of critical infrastructure</li> <li>Emergency provision of critical goods and services</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>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"> <li>copy of the applicable contingency plan and emergency procedures in use by the municipality (in terms of section 49(1)(d) of the Disaster Management Act)</li> <li>prevention and mitigation strategies as per the disaster management plan</li> <li>documentation linked to Sections 56 and 57 of the same Act</li> <li>details of insurance and insured infrastructure, where applicable including factors outlined in Sections 56 and 57 of the same Act as well as proof from the insurance company on the matter</li> <li>number of people, households, livestock and infrastructure affected and the extent of damages and losses</li> <li>sectors affected</li> <li>total funds required for disaster response and relief measures</li> <li>resources (both financial and in-kind) allocated by the municipality to respond and mitigate the effects of the disaster</li> <li>resources (both financial and in-kind) committed by other role players, including provinces, the private sector, national departments, state owned entities and non-government organisations</li> <li>cost-benefit analysis of the projects to be implemented</li> <li>an asset register that accurately reflects the projects for which funding has been applied</li> </ul> </li> <li>An implementation plan with the following: <ul style="list-style-type: none"> <li>details of the projects to be repaired including Global Positioning System (GPS) coordinates</li> <li>estimated total cost of the projects, including personnel related costs</li> <li>consolidated projects cash flow over six-month period as an annexure to the implementation plan</li> <li>technical report (high level that explains viability and practicality)</li> </ul> </li> <li>An application for funding contribution may be based on the rapid assessment (preliminary versions of the supporting documentation required above may be accepted for the funding application)</li> <li>Specifics on the rapid response capacity to implement the projects and account for allocated funding</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>An occurrence should be classified as a disaster by the NDMC in terms of the Disaster Management Act and documentation linked to conditions within sections 56 and 57 of the above-mentioned Act submitted to the NDMC</li> <li>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 available resources</li> <li>The grant may not be utilised for insured infrastructure. In case of inadequate insurance, reasons for inadequate insurance to be provided as well as proof from the insurer on the amount paid/ to be paid</li> <li>Municipalities must fund a portion of the costs of the disaster response and relief measures from their own budget, if unable to do so, proof must be provided together with the funding request</li> <li>Funds may only be used in line with the approved implementation plan by NDMC. Any amendments to the implementation plan must be approved by Council or Special Council and submitted at least three months prior to end of six months implementation period, supported and recommended by the Provincial Disaster Management Centre (PDMC) and Municipal Infrastructure Support Agent (MISA); and approved by the NDMC and copies of the approved amendments shared with National Treasury</li> <li>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 and all grant conditions have been met</li> <li>The emergency procurement system provided for in Treasury Regulations should be invoked by the affected municipalities to ensure immediate response and relief measures within their areas of jurisdiction</li> <li>A copy of the contingency plan for the relevant hazard is to be submitted with the funding request</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>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 Section 56 and 57 of the Disaster Management Act. Additionally, it must be established that there are immediate disaster response and relief needs that cannot be met by the municipality through the contingency arrangements already in place</li> <li>The Accounting Officer for the affected municipality must provide proof together with the funding request indicating 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</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant provides funding for responding to and providing response and relief measures for unforeseeable and unavoidable disasters where municipalities are unable to cope with the effects of the disaster from own resources</li> </ul>

<b>Municipal Disaster Response Grant</b>	
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The grant was allocated R764 million, of which R515 million was transferred to 17 municipalities in two provinces (Eastern Cape and KwaZulu-Natal) at the end of the 2022/23 financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>R515 million was transferred to municipalities to provide funding to repair municipal infrastructure damaged due to floods. This funding was disbursed as follows: <ul style="list-style-type: none"> <li>R406 million to KwaZulu-Natal for nine municipalities</li> <li>R109 million to Eastern Cape for eight municipalities</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant is expected to continue over the medium-term subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R378 million; 2025/26: R395 million and 2026/27: R413 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the National Disaster Management Centre</b></p> <ul style="list-style-type: none"> <li>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</li> <li>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</li> <li>Confirm what support the relevant national sector departments are providing and ensure there is no duplication of support</li> <li>Notify the relevant municipality of a transfer at least three days before the transfer is made</li> <li>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</li> <li>Provide National Treasury and the relevant provincial treasury with written notification of the transfer within 14 days of a transfer of this grant</li> <li>Together with the relevant PDMC monitor the implementation of disaster response and relief projects</li> <li>Share with the National Treasury, approvals to utilise more than six calendar months after the date of transfer</li> <li>Provide an information system to capture, analyse information, and produce reports</li> </ul> <p><b>Responsibilities of Municipal Infrastructure Support Agent</b></p> <ul style="list-style-type: none"> <li>Where necessary, assist the NDMC and PDMC in conducting rapid assessments and verification of the damage</li> <li>Assist identified municipalities in determining suitable approaches for implementing immediate response projects</li> <li>Advise on the pre-engineering processes to be followed in the reconstruction of damaged infrastructure (Environmental Impact Assessments and Water Use Licence Applications)</li> <li>Support municipalities with improvements to municipal processes for planning, project prioritisation and selection. This includes detailed planning, scoping, designing, scheduling, costing and procurement implementation</li> </ul> <p><b>Responsibilities of District Municipalities</b></p> <ul style="list-style-type: none"> <li>Support municipalities with rapid assessments of and compiling of grant funding applications</li> <li>Provide implementation support</li> <li>Monitor the implementation of immediate response projects</li> <li>Participate in the project steering committee meetings of the implementing municipality</li> <li>Undertake site visits</li> </ul> <p><b>Responsibilities of the Provincial Disaster Management Centres</b></p> <ul style="list-style-type: none"> <li>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</li> <li>Assist municipalities to compile funding applications in the required format, the reports and funding applications for funding from municipalities following the occurrence of the disaster as per the requirements of the Disaster Management Act and grant conditions and sign-off the applications</li> <li>Confirm what support provincial sector departments and other stakeholders are providing and ensure there is no duplication of support</li> <li>Activate a project task team comprising of affected municipalities and relevant sector departments</li> <li>Monitor projects to ensure that the funds are used for intended purposes and provide reports to the NDMC and relevant provincial treasury</li> <li>Coordinate, analyse and submit expenditure reports signed-off by the head of the PDMC on progress regarding the implementation of the projects by the municipalities to NDMC within 15 days after the end of each month in which funds are spent, with invoices and certificate of payments as annexures to the reports</li> <li>Coordinate, analyse and submit performance reports signed-off by the head of the PDMC, which include evidence on progress with implementation of the projects by the municipalities to the NDMC within 35 days after the end of the quarter in which funds are spent</li> <li>Monitor the implementation of disaster funds and related projects</li> </ul> <p><b>Responsibilities of the municipalities</b></p> <ul style="list-style-type: none"> <li>Conduct damage assessment and costing of emergency repair work</li> </ul>

<b>Municipal Disaster Response Grant</b>	
	<ul style="list-style-type: none"> <li>• Together with the required supporting documentation, submit disaster assessment reports and funding requests signed-off by the Accounting Officer to the PDMC within 14 days following the classification of a disaster</li> <li>• 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</li> <li>• Municipalities must implement all projects approved and ensure that the funds allocated are spent for their intended purposes</li> <li>• Activate project task teams during the implementation of disaster projects at a municipal level</li> <li>• Submit expenditure reports signed-off by the Accounting Officer which include evidence (such as certificate of payment, pictures, invoices) of implementation progress on the projects to the relevant PDMC within 10 days after the end of each month in which funds are spent</li> <li>• Submit a performance report signed-off by the Accounting Officer which includes evidence (such as certificate of payment, pictures, invoices) of implementation progress on the projects to the PDMC within 30 days after the end of the quarter in which funds are spent</li> <li>• Compile lessons learnt from post-grant intervention, outlining measures taken to reduce risks or enhance resilience. This should encompass an assessment of exposure to hazards, vulnerability and capacity, and hazard's characteristics as part of performance reporting</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

<b>Municipal Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance (Vote 3)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B and Schedule 6, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Subsidise the capital costs of providing basic services to poor households</li> <li>Subsidise the development of asset management plans for infrastructure servicing poor households</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities</li> <li>To provide specific funding for the development of asset management plans for infrastructure servicing the poor</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Improved access to basic services infrastructure for poor communities, through the use of labour-intensive construction (LIC) methods where it is technically feasible</li> <li>Improved reliability of basic services infrastructure for poor communities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>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"> <li>basic water and sanitation services</li> <li>central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites</li> <li>sport and recreation facilities</li> <li>street and community lighting</li> <li>public facilities</li> </ul> </li> <li>Number of poor households impacted through the urgent repairs and refurbishment of water, sanitation and solid waste management existing infrastructure</li> <li>Number of kilometres of municipal roads developed, upgraded and maintained servicing the poor</li> <li>Number of specialised vehicles for waste management purchased for servicing the poor</li> <li>Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs</li> <li>Number of Infrastructure Asset Management Plans developed</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the Municipal Infrastructure Grant (MIG) registration form for both schedule 5, part B and 6, part B as agreed with sector departments, which includes: <ul style="list-style-type: none"> <li>project title</li> <li>sector</li> <li>timeframes for implementation</li> <li>funder (municipalities in the case of schedule 5, part B and the Department of Cooperative Governance (DCoG) in the case of schedule 6, part B)</li> <li>cost of the project</li> <li>LIC component of the project, with targets and processes to be used</li> </ul> </li> </ul>
<b>Conditions</b>	<p><b>Schedule 5, Part B</b></p> <ul style="list-style-type: none"> <li>To receive the first tranche, municipalities must have followed the process for approval of 2024/25 projects and have confirmed by 30 April 2024 with DCoG, their programme, project planning and implementation readiness in the form of a municipal council resolution approving the implementation plan that includes cash flow projections as well the procurement plan</li> <li>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</li> <li>MIG priorities set by municipalities (as stated in their MIG implementation plans) can only be changed in-year with other MIG registered projects, supported by a municipal council resolution and confirmation that the projects will be awarded and implemented in the same year</li> <li>Projects not implemented within three years of approval by the relevant appraisal committee will be deregistered by MIG Appraisal Committees</li> <li>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</li> <li>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 itemised cost</li> <li>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</li> <li>Municipalities must prioritise MIG funds for infrastructure that services eligible beneficiaries, such as: <ul style="list-style-type: none"> <li>basic residential infrastructure for the poor for water, sanitation, roads and stormwater, waste management, street lighting and community facilities</li> <li>new or upgrading of municipal bulk infrastructure to support existing areas, the formalisation of informal settlements and to support economic development</li> <li>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</li> <li>maintenance of roads infrastructure mainly servicing the poor</li> <li>specialised waste management vehicles servicing the poor</li> </ul> </li> </ul>

<b>Municipal Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>• Municipalities must spend at least 60 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred</li> <li>• By 2 January 2025, municipalities must spend: <ul style="list-style-type: none"> <li>○ at least 40 per cent of their total MIG allocation, where allocations are equal or less than R100 million</li> <li>○ at least 45 per cent of their total MIG allocation, where allocations are more than R100 million</li> </ul> </li> <li>• The cost for the Project Management Unit (PMU) must 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 1 May 2024. If these funds are not committed for this purpose or spent for this purpose they must revert back for MIG capital projects</li> <li>• At least 95 per cent of municipalities' allocation must be used on eligible MIG funded projects, including maintenance on roads mainly servicing the poor</li> <li>• Municipalities with non-compliance pre-directives or directives from the Department of Water and Sanitation must use at least 10 per cent of their MIG allocations for urgent repairs and refurbishments of infrastructure, provided data is based on asset management plans. The application must be accompanied by a certified Excel copy of the municipality's audited asset register</li> <li>• 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"> <li>○ recommended by the relevant sector department</li> <li>○ accompanied by an Excel copy of the municipality's audited asset register submitted by 01 April 2024</li> </ul> </li> <li>• Funds may only be used for disaster relief interventions based on a plan approved by the transferring officer</li> <li>• Municipalities must comply with sector norms, standards and legislation as confirmed by sectors during the MIG project registration processes</li> <li>• Local municipalities investing in roads infrastructure must utilise data from Asset Management Plan to identify and prioritise their investment on roads maintenance projects</li> <li>• Ring-fenced sport infrastructure allocation: <ul style="list-style-type: none"> <li>○ 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)</li> <li>○ initial transfers of funds from the ring-fenced sport infrastructure allocation to identified projects will be subject to signing of a memorandum of understanding (MoU) between DSAC and the beneficiary municipalities</li> <li>○ subsequent transfers for projects funded through the ring-fenced amount will also be subject to approval by DSAC</li> </ul> </li> <li>• Sport infrastructure as part of the P-component: <ul style="list-style-type: none"> <li>○ municipalities must submit technical reports for spending 33 per cent of their P-component allocation on sport and recreation infrastructure projects</li> <li>○ 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</li> </ul> </li> <li>• Municipalities must ensure compliance to EPWP infrastructure guidelines (that includes training) in aligning their projects and reporting the work opportunities created and training on the EPWP reporting system</li> <li>• 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</li> <li>• 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 Forestry, Fisheries and the Environment (DFFE) and a final approval from the National DFFE before being appraised for registration. Vehicles may not be purchased with MIG funds for other purposes</li> <li>• Municipalities must submit monthly and quarterly reports in the prescribed national template and signed-off by the Municipal Manager or delegated official</li> <li>• Municipalities must utilise the Municipal Infrastructure Grant Management Information System (MIG-MIS) to facilitate programme and project management and reporting</li> </ul> <p><b>Schedule 6, Part B</b></p> <ul style="list-style-type: none"> <li>• DCoG will assess municipalities on the following criteria by February 2024: <ul style="list-style-type: none"> <li>○ municipalities with DWS and DFFE directives/ non-compliance on the poor state of water, sanitation and solid waste management infrastructure</li> <li>○ actual expenditure reported by municipalities on repairs and maintenance from the previous financial year is lower than 2 per cent of the value of the municipality's Property, Plant and Equipment (PPE)</li> <li>○ extent of non-revenue water as reported in the audited municipal annual financial statements (AFS). Where non-revenue water is in excess of 30 per cent and not decreasing from year-to-year, the municipality shall be determined to be failing to manage its water supply</li> </ul> </li> </ul>

<b>Municipal Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>○ low MIG expenditure performance over the last two municipal financial years (spent on average 70 per cent and less against the originally annually allocated MIG (before adjustments) over the last two years (2021/22 – 2022/23)</li> <li>● DCoG will notify relevant municipalities by March 2024 on the analysis results, DCoG and relevant municipalities must enter into an MoU and agree on a capacity building plan before any project is implemented</li> <li>● DCoG to prepare an implementation plan based on the converted funding specifying the agreed projects to be implemented per municipality by 30 April 2024. The affected municipalities will align their 2024/25 implementation plans in line with their converted 2024/25 MIG allocations to be submitted to DCoG by 30 April 2024</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>● Part 5 of Annexure W1 to the 2024 Division of Revenue Bill sets out the MIG formula in detail, showing how the formula incorporates backlog and poverty data</li> <li>● The funds ring-fenced for sport infrastructure are allocated based on estimated costs of projects that: <ul style="list-style-type: none"> <li>○ fill identified gaps and are confirmed with the provincial departments responsible for sport and the municipalities</li> <li>○ align to the National Sport and Recreation Plan, National Sport Facilities Plan and transformation imperatives</li> <li>○ align to priority sport codes</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>● This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>● The MIG programme was allocated R16.8 billion, the entire amount was transferred and R14.8 billion was reported as spent by municipalities at the end of the 2022/23 financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>● 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"> <li>○ 35 244 households provided with basic water and 36 544 households provided with sanitation services</li> <li>○ 28 196 households provided with street and community lighting</li> </ul> </li> <li>● Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure): <ul style="list-style-type: none"> <li>○ 46 central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites developed</li> <li>○ 177 sport and recreation facilities developed</li> <li>○ 200 public facilities developed</li> <li>○ 1 114 kilometres of municipal roads developed</li> </ul> </li> <li>● 158 835 FTEs created using the EPWP guidelines for the above outputs</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<p><b>Direct transfers (Schedule 5, Part B)</b></p> <ul style="list-style-type: none"> <li>● 2024/25: R17 billion; 2025/26: R17.9 billion and 2026/27: R19.4 billion</li> </ul> <p><b>Allocations in kind (Schedule 6, Part B)</b></p> <ul style="list-style-type: none"> <li>● 2024/25: R58 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p>Responsibilities of the national departments</p> <ul style="list-style-type: none"> <li>● DCoG administers the MIG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must: <ul style="list-style-type: none"> <li>○ report to sector departments on outputs</li> <li>○ monitor expenditure and non-financial performance in collaboration with provincial DCoGs</li> <li>○ coordinate overall programme implementation</li> <li>○ provide support to municipalities in the utilisation of the MIG-MIS</li> </ul> </li> <li>● For Schedule 6B allocations, DCoG must: <ul style="list-style-type: none"> <li>○ enter into an MoU with municipalities regarding the construction, ownership, funding arrangements, and operations and maintenance of proposed infrastructure prior to the commencement of construction</li> <li>○ provide to National Treasury, detailed information on the selection criteria, and evidence of the approved capacity building plan</li> <li>○ ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates</li> <li>○ make payments to contracted Implementing Agent based on invoices for work done</li> </ul> </li> <li>● MISA must: <ul style="list-style-type: none"> <li>○ provide technical support and advice to municipalities that have been identified collaboratively with DCoG and its provincial counterparts as needing assistance</li> <li>○ on behalf of and in collaboration with national and provincial DCoG's, conduct detailed municipal assessments of the municipalities identified for assistance, including innovative solutions, 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</li> <li>○ report all findings and recommendations for improvement to the identified municipalities, national and provincial DCoGs</li> </ul> </li> </ul>



<b>Municipal Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>○ 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</li> <li>○ 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</li> <li>○ 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</li> <li>○ partake in the assessment of the business plans for the asset management planning provision and make recommendations to the transferring officer</li> <li>○ support DCoG in the identification of projects to be funded from DCoG as a schedule 6, Part B</li> <li>● In addition to their sector-specific responsibilities, each national sector department will be expected to: <ul style="list-style-type: none"> <li>○ provide information on service delivery priorities per municipality as expressed within sectoral plans and municipal IDPs</li> <li>○ fulfil a sectoral monitoring and guidance role on relevant sectoral outputs</li> <li>○ evaluate reports and provide final recommendations to the municipality by 13 September 2024</li> <li>○ Frequently update sector norms and standards and confirm adherence thereto for MIG funded projects through the MIG registration process, which includes participation in the district appraisal processes</li> <li>○ confirm the current state of maintenance where municipalities have applied for funding of renewal projects</li> <li>○ advise which sphere (provincial or national – even if different across provinces) should sign-off MIG projects and participate in MIG workflow processes</li> <li>○ sign-off on project close-out reports, thereby acknowledging the projects have been completed as intended</li> </ul> </li> <li>● Department of Water and Sanitation must: <ul style="list-style-type: none"> <li>○ support and monitor municipalities to prepare and implement water services development plans</li> <li>○ ensure alignment between the MIG programme, Human Settlement Development Grant (HSDG), Informal Settlement Upgrading Partnership Grant: Municipalities (ISUPG), Regional Bulk Infrastructure Grant (RBIG) and the Water Services Infrastructure Grant (WSIG)</li> <li>○ for the MIG funding stream, monitor and oversee progress on water and sanitation projects implemented through the MIG</li> <li>○ promote the use of Innovative solutions in pre-feasibility, feasibility studies and in technical report(s)</li> <li>○ support the process of the development of water and sanitation infrastructure asset management plans and the updating and verification of asset registers</li> <li>○ support DCoG in the identification of projects to be funded from DCoG as a schedule 6, Part B</li> </ul> </li> <li>● The Department of Human Settlements must ensure alignment between the MIG programme, HSDG, ISUPG: Municipalities, RBIG and WSIG</li> <li>● Department of Forestry, Fisheries and the Environment (DFFE): <ul style="list-style-type: none"> <li>○ must support municipalities with planning and implementation of solid waste management projects and monitor their performance and compliance with conditions applicable to this sector</li> <li>○ the provincial DFFEs will be responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles and national DFFE will provide final approval before submitting projects for registration in the MIG appraisal process</li> <li>○ support the process of the development of waste management infrastructure asset management plans and the updating and verification of asset registers</li> <li>○ support DCoG in the identification of projects to be funded from DCoG as a schedule 6, Part B</li> </ul> </li> <li>● Department of Mineral Resources and Energy must: <ul style="list-style-type: none"> <li>○ support municipalities with planning and implementation of public lighting and monitor municipalities' performance and compliance with conditions applicable to this sector</li> <li>○ support the process of the development of electricity community infrastructure asset management plans and the updating and verification of asset registers</li> </ul> </li> <li>● Department of Transport must <ul style="list-style-type: none"> <li>○ 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</li> <li>○ support DCoG in the identification of projects to be funded from DCoG as a schedule 6, Part B</li> </ul> </li> <li>● Department of Sports, Arts and Culture must: <ul style="list-style-type: none"> <li>○ evaluate reports and provide final recommendations to the municipality by 13 September 2024 that will allow municipalities to submit project registrations for appraisal by 30 September 2024</li> <li>○ support municipalities with planning and implementation of municipal sport and recreation facilities and monitor municipalities' performance and compliance with conditions applicable to this sector</li> <li>○ review, approve and sign-off all MIG projects before recommendation by the provincial sports departments to the MIG appraisal committee</li> <li>○ support the process of the development of sport infrastructure asset management plans and the updating and verification of asset registers</li> </ul> </li> <li>● Department of Public Works and Infrastructure must: <ul style="list-style-type: none"> <li>○ monitor compliance with the EPWP infrastructure guidelines and advise municipalities on the use of labour-intensive processes, systems, techniques and approaches</li> </ul> </li> </ul>

<b>Municipal Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>○ 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</li> <li>○ ensure that municipalities register their projects on the EPWP reporting system and monitor compliance with norms and standards applicable to this sector</li> </ul>
	<p><b>Responsibilities of provincial departments</b></p> <ul style="list-style-type: none"> <li>● Coordinate technical support to municipalities</li> <li>● Monitor performance of municipal Programme/Project Management Units and recommend relevant sanctions for under-performance to DCoG</li> <li>● Provide assistance to municipalities in managing municipal infrastructure projects</li> <li>● Provide support to municipalities in the utilisation of the MIG-MIS</li> <li>● Provide support to municipalities with the development of Infrastructure Asset Management Plans</li> <li>● Monitor and reconcile reported expenditure with proof of payment signed-off by the municipality</li> <li>● Monitor the accuracy of project registration forms and coordinate monthly, quarterly and annual reports from municipalities and forward them to DCoG</li> <li>● Coordinate district appraisal and progress committee meetings ensuring that DCoG and relevant sector departments are invited</li> <li>● Issue registration letters for projects approved by the district appraisal committees to municipalities, copying DCoG</li> <li>● Monitor project implementation in collaboration with sectors coordinate project spot checks with relevant stakeholders and compile relevant spot check reports</li> <li>● Monitor the capturing of site visit reports by municipalities on the MIG-MIS</li> <li>● Monitor compliance with provincial legislation and alignment to provincial growth and development strategies through project registration</li> </ul>
	<p><b>Responsibilities of provincial sector departments</b></p> <ul style="list-style-type: none"> <li>● Each provincial sector department must fulfil a sectoral monitoring and guidance role on relevant sectoral outputs</li> <li>● Provide technical advice as required by a municipality through the feasibility, planning, design, tender and construction phases of a MIG project</li> <li>● Provide support to municipalities with the development of Infrastructure Asset Management Plans</li> <li>● Participate in district appraisal and progress committee meetings</li> <li>● Evaluate and provide recommendations on sector technical reports before projects are appraised</li> <li>● 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 DFFE must provide final approval before submitting projects for registration in the MIG appraisal process</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>● Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation, and this must be informed by the IDP and three-year capital programme</li> <li>● Municipalities must certify compliance to the provision of 2024 Division of Revenue Act after the schedule of transfers has been communicated by DCoG and before the first transfer is made to the municipality by DCoG</li> <li>● Municipalities must have appropriate capacity to implement the MIG, this must be supported by the human resource plan of the municipality</li> <li>● Municipalities must monitor each project and ensure that MIG funds are spent for the intended purpose as registered on the MIG-MIS</li> <li>● The municipality must comply with the submission of monthly and quarterly reports through the MIG-MIS and the annual reports 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</li> <li>● Compulsory use of the MIG-MIS to inform the content of the reports mentioned above</li> <li>● Municipalities must capture project site visit reports as part of the portfolio of evidence to support claims</li> <li>● Ensure that the results of the green drop, blue drop and no drop assessments are considered in the planning and prioritisation of projects</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<p><b>Schedule 5, Part B</b></p> <ul style="list-style-type: none"> <li>● Municipalities must submit all technical reports to the sector departments responsible for water, sanitation, solid waste, sport and recreation, roads and transport by 31 July 2024 for all projects to be implemented in 2025/26</li> <li>● The responsible sector department must evaluate reports and provide final recommendations to the municipality by 13 September 2024</li> <li>● When projects are registered for 2025/26, the municipality must identify how each MIG infrastructure project is aligned to and/or supports their local economic development strategy</li> <li>● The municipality must submit all project registration forms by 30 September 2024, for the projects to be implemented in 2025/26, to the provincial department responsible for local government</li> <li>● The provincial departments must provide final recommendations to municipalities by 2 December 2024</li> <li>● Municipalities must submit to DCoG by 30 January 2025, detailed project implementation plans for all the projects to be implemented in the 2025/26 and 2026/27 financial years</li> </ul>

<b>Municipal Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>• Such plans should include timelines regarding project designs, initiation of procurement, and environmental impact assessment (EIA) and/or relevant permit/license approvals in the prescribed format</li> <li>• Municipalities must submit updated implementation plans (as described above) by 29 April 2025, justifying any changes from the 30 January 2025 submission</li> <li>• MISA must review and sign-off on technical and 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</li> </ul> <p><b>Schedule 6, Part B</b></p> <ul style="list-style-type: none"> <li>• DCoG will assess and engage municipalities on the following criteria by February 2024: <ul style="list-style-type: none"> <li>○ municipalities with DWS and DFFE directives/ non-compliance on the poor state of water, sanitation and solid waste management infrastructure</li> <li>○ actual expenditure reported by municipalities on repairs and maintenance from the previous financial year is lower than 2 per cent of the value of the municipality's Property, Plant and Equipment (PPE)</li> <li>○ extent of non-revenue water as reported in the audited municipal annual financial statements (AFS). Where non-revenue water is in excess of 30 per cent and not decreasing from year-to-year, the municipality shall be determined to be failing to manage its water supply</li> <li>○ low MIG expenditure performance over the last two municipal financial years (spent on average 70 per cent and less against the originally annually allocated MIG (before adjustments) over the last two years (2023/24 – 2024/25))</li> </ul> </li> <li>• DCoG will notify affected municipalities by March 2025 on the analysis results, DCoG and relevant municipalities must enter into an MoU and/or support plan before any project is implemented</li> <li>• DCoG to prepare an implementation plan based on the converted funding specifying the agreed projects to be implemented per municipality by April 2025. The affected municipalities will align their 2025/26 implementation plans in line with their converted 2025/26 MIG allocations to be submitted to DCoG by 30 April 2025</li> </ul>

<b>Municipal Systems Improvement Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance (Vote 3)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 6, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>An efficient and developmental sphere of government capable of delivering services to local communities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A responsive, accountable, effective and efficient local government</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of municipalities supported on governance and institutional matters through the District Development Model (DDM) approach, on the integration and coordination of support and capacity building interventions, including amongst others, support on the following outputs: 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 towards the institutionalisation of the DDM and implementation of One Plans</li> <li>Number of municipalities supported to improve their municipal systems through the DDM National Strategic Hub (Results Management Office)</li> <li>Number of municipalities provided with support to effectively implement the Integrated Urban Development Framework (IUDF)</li> <li>Number of municipalities receiving support to improve their records management systems</li> <li>Number of municipalities with upgraded or improved Information and Communications Technology (ICT) infrastructure and strengthened ICT Governance through support</li> <li>Number of municipalities promoting ethical conduct through the development and maintenance of a web-based case management system to institutionalise measures to expeditiously address incidents of unethical conduct, breach of the Code of Conduct for Municipal Staff, substandard performance and to strengthen enforcement measures</li> <li>Number of municipalities receiving support on Human Resource and Organisational Development as well as Disciplinary Management</li> <li>Number of municipalities assisted in piloting and validating prototype staff establishments tailored to their specific categories</li> <li>Number of municipalities supported in the implementation of Municipal Staff Regulations</li> <li>Number of municipalities supported in the preparation of an institutional recovery plan and the implementation thereof, where appropriate (including assisting municipalities to review and prepare organograms, policies, by-laws performance information and capacity building on governance)</li> <li>Number of municipalities supported to improve their recruitment and selection systems by strengthening assessment mechanisms such as competencies, exams, group exercises</li> <li>Number of assessments and evaluations undertaken to determine the readiness of the adoption and implementation of the Smart Cities Framework at the selected municipalities and develop a Support Programme for Smart City Initiatives as per the Smart Cities Framework</li> <li>Number of municipalities supported in conducting cost of supply studies for water and electricity (municipal tariff data management) and related matters</li> <li>Number of municipalities supported in the improvement of their data management</li> <li>Number of municipalities provided with revenue protection and interventions that include reviewing municipal revenue enhancement strategies and enforcement measures, establishing other revenue streams, technology usage, billing data management, tariff structure and setting, systems audits and trading services (water, electricity), business remodelling</li> <li>Number of municipalities supported on the implementation of the Municipal Property Rates Act</li> <li>Number of municipalities supported in various governance aspects, including performance information, ICT governance, municipal audit outcomes, oversight structures, anti-corruption, and capacity building</li> <li>Number of municipalities supported in the improvement of economic development planning/initiatives (Economic Planning Strategies and Red Tape Reduction Initiatives)</li> <li>Number of municipalities supported with development of master plans and feasibility studies</li> <li>Number of municipalities supported in establishing operations technical governance systems and/or automating basic service delivery systems</li> <li>Number of municipalities supported in reviewing and developing climate change adaptive Spatial Development Plans and the related Land Use Plans and policies</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses a support plan. The support plan has an appendix or annexure which details: <ul style="list-style-type: none"> <li>roles and responsibilities</li> <li>outcome indicators</li> <li>output indicators</li> <li>key activities</li> <li>inputs</li> <li>details of how the systems and practices developed will be sustained over the long-term</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The Department of Cooperative Governance and the benefiting 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</li> <li>Funds from this grant may be spent on building the capacity of municipalities with respect to the purpose and outputs listed for this grant</li> <li>ICT infrastructure bought with this grant must be compatible with the minimum standards for the municipal</li> </ul>

<b>Municipal Systems Improvement Grant</b>	
	Standard Chart of Accounts (mSCOA) <ul style="list-style-type: none"> <li>• Technical support to municipalities must include the transfer of skills to municipal officials</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Priority is given to the dysfunctional local and district municipalities, which are mainly Water Services Authorities over the 2024 MTEF period</li> <li>• 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</li> <li>• The support provided to municipalities through the DDM National Strategic Hub (RMO) will target all the 52 districts and metropolitan spaces</li> <li>• Municipalities identified for support in 2023/24 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 2024/25</li> <li>• Intermediate cities are targeted for programmes in support of the Integrated Urban Development Framework</li> <li>• Funds may be reallocated if the support plan is not signed by the municipal manager(s)</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Past performance</b>	<b>2022/23 audited financial outcomes</b> <ul style="list-style-type: none"> <li>• The grant was allocated R140 million, of which R63 million or 45 per cent was spent by the end of the financial year</li> </ul>
	<b>2022/23 service delivery performance</b> <ul style="list-style-type: none"> <li>• The allocated funds addressed municipal staff matters, data and records management and cost of supply studies on water tariffs</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R145 million; 2025/26: R151 million and 2026/27: R158 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Payments to the service provider will be made in accordance with the signed service level agreement, implementation plan and project milestones or deliverables</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<b>Responsibilities of the national department</b> <ul style="list-style-type: none"> <li>• Agree and sign municipal support plans with participating municipalities</li> <li>• Management, monitoring and reporting of the programme</li> <li>• Coordinate with the National Treasury to ensure that the capacity building activities of the two departments are complimentary</li> <li>• Participate in the review of the municipal capacity support system during 2024/25</li> </ul>
	<b>Responsibilities of municipalities</b> <ul style="list-style-type: none"> <li>• Agree and sign a memorandum of agreement with the transferring officer</li> <li>• Identify municipal officials that will be recipients of skills transfer</li> <li>• Ensure that municipal officials participate actively in all activities funded through this grant</li> <li>• Ensure systems and practices developed through this grant are sustained as part of the operations of the municipality</li> <li>• Municipalities must submit a detailed report upon the completion of the project, in the format prescribed</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Targeted municipalities must sign a municipal support plan in support of this Municipal Systems Improvement Grant programme</li> </ul>

## MINERAL RESOURCES AND ENERGY GRANTS

<b>Energy Efficiency and Demand Side Management Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Mineral Resources and Energy (Vote 34)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To reduce electricity consumption by promoting energy efficient practices</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Reduced demand for electricity</li> <li>Increased awareness of energy saving</li> <li>Skills development in energy efficiency</li> <li>Energy management capability enhanced</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Amount of electricity saved in kilowatt hours (KWh)</li> <li>Number of energy efficient streetlights installed</li> <li>Number of energy efficient traffic lights installed</li> <li>Number of buildings retrofitted</li> <li>Number of units of water services infrastructure retrofitted</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Projected energy savings</li> <li>Key activities</li> <li>Inputs</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Funds can only be used to implement electricity-saving projects in municipal infrastructure</li> <li>The focus for implementation of energy efficiency interventions is limited to municipal buildings, streetlights, traffic lights, wastewater treatment works and pump stations</li> <li>Municipalities must determine a detailed and extended electricity consumption baseline in line with South African Standards (SANS 5002 and SANS 50010)</li> <li>Municipalities must respond to the request for proposals issued by the Department of Mineral Resources and Energy (DMRE) in the format provided</li> <li>Municipalities must commit to energy savings (in KWh) to be achieved through the retrofits to the DMRE</li> <li>A performance agreement with specific conditions shall be entered into between the municipality and the DMRE</li> <li>The municipality shall prepare a project work plan and business plan in the templates provided by the DMRE</li> <li>The municipality shall procure the streetlight luminaires as per the standardised technical specifications, and in the panel of energy efficient technology suppliers listed by the transferring officer</li> <li>A municipality may apply to the transferring officer, by no later than 31 July 2024 to utilise a maximum of 15 per cent of the total annual allocation to undertake specified planning activities to embed the Mitigation Action Facility (formerly 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"> <li>investment pipeline development (excluding direct project preparation)</li> <li>development of infrastructure financing strategies and instruments</li> <li>utilisation of a minimum of 50 per cent capital expenditure as co-funding for the Mitigation Action Facility projects</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The following criteria are used for selecting municipalities to receive allocations from the grant: <ul style="list-style-type: none"> <li>municipalities that have responded to the request for proposals as issued by the DMRE</li> <li>municipalities with higher electricity consumption and higher electricity saving potential</li> <li>municipalities with clearly defined objectives on energy efficiency improvements</li> <li>proposals that use proven energy efficient technologies with low pay-back periods</li> <li>municipalities that are participating in the Mitigation Action Facility Support Project</li> <li>municipalities that show readiness and capacity to implement EEDSM projects</li> <li>good past performance if a municipality has previously participated in the programme</li> <li>quality, viability and financial feasibility of proposed projects</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional grant in support of the EEDSM programme</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R223 million was allocated and transferred to participating municipalities, and R216 million was spent by end of 2022/23 financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>A total electricity saving of 15,6 MWh per annum was reported by municipalities against the total projected electricity consumption baseline of 19.6 MWh per annum</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R236 million; 2025/26: R246 million and 2026/27: R258 million</li> </ul>

<b>Energy Efficiency and Demand Side Management Grant</b>	
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by the National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Monitoring and evaluation of the EEDSM programme including measurement and verification of energy savings</li> <li>• 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</li> <li>• Communicate to municipalities the process and requirements for obtaining EEDSM grant funds in 2025/26</li> <li>• 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</li> <li>• Provide technical support to municipalities participating in the Mitigation Action Facility Support Project of South Africa</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Submit proposals as per the request for proposals issued by DMRE</li> <li>• Ensure that proposals are in the format and template provided by DMRE</li> <li>• Implement the EEDSM programme as per the framework and contractual agreement</li> <li>• In the implementation of EEDSM projects, use service providers and/or energy efficient technology suppliers accredited and listed by DMRE</li> <li>• Submit to the DMRE detailed energy consumption baseline data and a business plan signed by the Municipal Manager before the start of the 2024/25 municipal financial year</li> <li>• Submit to the DMRE the monthly and quarterly reports approved by the Municipal Manager</li> <li>• 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</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Proposals must be submitted by 16 September 2024 and shall be evaluated against the criteria set out in this framework and the request for proposals issued by DMRE</li> </ul>

<b>Integrated National Electrification Programme (Eskom) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Mineral Resources and Energy (Vote 34)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 6, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To increase access to electricity through funding of alternative energy technologies, household connections and bulk infrastructure (substations and medium voltage lines) to ensure constant supply of electricity</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to increase access to electricity, 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</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A reduction in household electrification backlogs</li> <li>Universal access to electricity and improvement in distribution infrastructure reliability</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The number of household connections per annum</li> <li>The number of installations with alternative energy technologies per annum</li> <li>The number of substations completed</li> <li>Kilometres of medium voltage lines completed</li> <li>Implementation of labour-intensive delivery methods, in compliance with the Expanded Public Works Programme (EPWP) guidelines on electrification projects and the work opportunities created</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Inputs</li> <li>Output indicators</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>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</li> <li>Projects must be prioritised by municipalities in their Integrated Development Plans (IDPs) before being approved for INEP (Eskom) grant funding</li> <li>To receive the first tranche, 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</li> <li>Eskom to comply with the DMRE's requirements to provide approved bulk projects in their business plans</li> <li>Eskom must spend at least 50 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred</li> <li>By 30 December 2024, Eskom must have spent at least 60 per cent of their total INEP allocation, where allocations are equal or less than R3.6 billion</li> <li>All assets constructed through this grant must be ring-fenced on Eskom's asset register as government assets and Eskom will be responsible for the operations and maintenance of these assets</li> <li>Eskom must adhere to labour-intensive construction methods in terms of the EPWP guidelines for activities such as trenching and planting of poles including the promotion of companies owned by vulnerable groups</li> <li>Ensure effective management of the Eskom municipality debt problem to prevent adverse effects on the implementation of the INEP</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations to Eskom are made on behalf of municipalities based on applications from Eskom to the Department for all municipalities (licensed and non-licensed) according to the following criteria: <ul style="list-style-type: none"> <li>high backlogs</li> <li>rural bias</li> <li>integration with other programmes such as the district development model, the National Development Plan, catalytic projects, and mining towns</li> <li>the cost of a project is within benchmarked norms and standards</li> <li>the project is aligned with the IDP for a particular municipality</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional capital transfer for electrification of households and bulk infrastructure</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The grant was allocated R3.6 billion and the entire amount was transferred to Eskom, of which R2 billion was spent by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>102 590 connections were completed at the end of the financial year (includes connections funded from roll-overs)</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R2.2 billion; 2025/26: R2.3 billion and 2026/27: R2.4 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Payments are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Review and approve Eskom's outputs and targets</li> <li>Continuously monitor implementation</li> <li>Provide central coordination for bulk infrastructure</li> <li>Approve submissions for refurbishment of critical infrastructure</li> </ul>



<b>Integrated National Electrification Programme (Eskom) Grant</b>	
	<p><b>Responsibilities of Eskom</b></p> <ul style="list-style-type: none"> <li>• 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 Guideline (2022)</li> <li>• Implement INEP according to the approved implementation guidelines</li> <li>• Report to the DMRE and the National Treasury on monthly and quarterly progress on financial and non-financial performance of the grant</li> <li>• Report accurately and timeously on EPWP information</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Eskom and the DMRE must ensure that all planned projects are in line with municipal IDPs and priority lists</li> <li>• Eskom and the DMRE must ensure that planned projects are feasible and have gone through the pre-engineering process by 31 October 2024</li> </ul>

<b>Integrated National Electrification Programme (Municipal) Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Mineral Resources and Energy (Vote 34)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To increase access to electricity through funding of alternative energy technologies, household connections and bulk infrastructure (substations, medium voltage lines and high voltage lines) to ensure constant supply of electricity</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to increase access to electricity, existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>A reduction in household electrification backlogs</li> <li>Universal access to electricity</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The number of connections to households per annum</li> <li>The number of installations with alternative energy technologies per annum</li> <li>The number of substations completed</li> <li>Kilometres of medium voltage lines completed</li> <li>Implementation of labour-intensive delivery methods, in compliance with the Expanded Public Works Programme (EPWP) guidelines on electrification projects and the work opportunities created</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs (resources)</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Municipalities must submit electrification business plans for bulk infrastructure to be registered 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</li> <li>Municipalities must provide the DMRE with a detailed project implementation plan during the first quarter of the municipal financial year</li> <li>Municipalities must appoint service providers by 01 July 2024 before the first tranche is transferred</li> <li>Bulk infrastructure can only be funded for infrastructure serving poor households (where infrastructure serves tariff-funded areas and poor households, costs should be shared)</li> <li>INEP funds may be used for the refurbishment of critical infrastructure, only upon approval of a business plan submitted to the DMRE</li> <li>Municipalities must utilise their own funding if the subsidy is insufficient</li> <li>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</li> <li>No contracts will be signed unless all the annexures are submitted by end April 2024</li> <li>No reimbursement will be made for projects that have been implemented without the prior approval by the DMRE</li> <li>Funds may only be used in line with the approved project implementation plan. Any amendments to the project implementation plan must be approved by Council</li> <li>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</li> <li>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 Guideline (2022)</li> <li>For projects that the municipality is planning to execute in the outer year, the DMRE will fund the pre-engineering amount according to the Engineering Council of South Africa guidelines on professional fees</li> <li>Municipalities must adhere to labour intensive construction methods in terms of the EPWP guidelines for activities such as trenching and the planting of poles, including the promotion of companies owned by vulnerable groups</li> <li>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 asset</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on an assessment of applications from local municipalities based on: <ul style="list-style-type: none"> <li>high backlogs</li> <li>rural bias</li> <li>number of planned households per project</li> <li>past performance</li> <li>integration with other programmes such as the district development model, the National Development Plan, catalytic projects, and mining towns</li> <li>the financial, technical and staff capabilities to distribute electricity and expand and maintain networks</li> <li>consultation with communities through the Integrated Development Plan (IDP) process</li> <li>ensuring that universal access objectives are fast-tracked</li> <li>connecting informal settlements where service delivery has been prioritised</li> <li>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</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific conditional capital transfer for electrification of households</li> </ul>

<b>Integrated National Electrification Programme (Municipal) Grant</b>	
<b>Past performance</b>	<b>2022/23 audited financial outcomes</b>
	<ul style="list-style-type: none"> <li>• R2.1 billion was allocated and transferred to municipalities; and R1.5 billion was spent</li> </ul>
	<b>2022/23 service delivery performance</b>
	<ul style="list-style-type: none"> <li>• 43 287 households were connected including connections funded from roll-overs</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R1.7 billion; 2025/26: R1.7 billion and 2026/27: R1.7 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<b>Responsibilities of the national department</b>
	<ul style="list-style-type: none"> <li>• Agree with municipalities on outputs and targets</li> <li>• Continuously monitor implementation and provide support to municipalities</li> <li>• Verify reports from municipalities</li> <li>• Ensure that the payment schedule is aligned to the timelines for projected expenditure on each project</li> <li>• Enter into the Memorandum of Agreement (MoA) with municipalities</li> </ul>
	<b>Responsibilities of municipalities</b>
	<ul style="list-style-type: none"> <li>• Ensure that projects are implemented in line with what is reflected in the IDP of the municipality</li> <li>• 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</li> <li>• Appoint service providers during the last quarter of the 2024/25 financial year for projects to be funded in 2025/26</li> <li>• Maintain and operate electricity infrastructure in line with licence conditions</li> <li>• Agree and sign the addendum with the transferring officer after the reallocation of funds</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Application forms are sent to municipalities and the evaluation of all applications and business plan proposals received from municipalities is completed by 31 October 2024</li> </ul>

## HUMAN SETTLEMENTS GRANTS

<b>Informal Settlements Upgrading Partnership Grant: Municipalities</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 33)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The creation of sustainable and integrated human settlements that enable improved quality of household life</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to the upgrading of informal settlements</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Adequate housing in improved quality living environment</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The grant shall fund the outputs defined in Phases 1 – 3 of the Upgrading of Informal Settlements Programme (UISP) in the National Housing Code of 2009</li> <li><b>Social Facilitation:</b> <ul style="list-style-type: none"> <li>Number of Informal Settlements where social facilitation was conducted</li> </ul> </li> <li><b>Phase 1</b> <ul style="list-style-type: none"> <li>Number of pre-feasibility studies conducted</li> <li>Number of re-blocking projects undertaken</li> </ul> </li> <li><b>Phase 2</b> <ul style="list-style-type: none"> <li>Feasibility studies: <ul style="list-style-type: none"> <li>number of environmental impact assessments undertaken</li> <li>number of geotechnical studies conducted</li> <li>number of any other relevant studies conducted</li> </ul> </li> <li>Land acquisition: <ul style="list-style-type: none"> <li>hectares of land acquired for in-situ upgrading</li> <li>hectares of land acquired for relocation</li> <li>hectares of land transferred and registered</li> <li>hectares of land availed in terms of land availability/development agreement</li> </ul> </li> <li>Number of settlements supplied with bulk infrastructure</li> <li>Number of settlements benefitting from interim municipal engineering services and/or any other alternative engineering services</li> <li>Number of settlements provided with rudimentary services</li> </ul> </li> <li><b>Phase 3</b> <ul style="list-style-type: none"> <li>Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services</li> <li>Number of serviced sites developed</li> <li>Number of social and economic amenities provided.</li> <li>Number of sites transferred to end users</li> <li>Number of households provided with secure tenure</li> <li>Number of engineering designs: water, sewer, roads and and/or storm water drainage concluded</li> <li>Number of layout plans approved</li> </ul> </li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant requires municipalities to attain municipal council approval on informal settlements to be upgraded in the 2024/25 financial year</li> <li>A municipality must submit a business plan prepared in terms of the requirements of the template determined by the DHS</li> <li>Municipalities must submit an informal settlements upgrading business plan in line with the UISP in the National Housing Code for each settlement to be upgraded which includes: <ul style="list-style-type: none"> <li>project description</li> <li>settlement name and global positioning system coordinates</li> <li>project institutional arrangements</li> <li>outputs and targets for services to be delivered</li> <li>cash flow projections</li> <li>procurement plan</li> <li>risk management plan</li> <li>number of re-blocking projects to be undertaken</li> </ul> </li> <li>Number of jobs opportunities to be created</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Expenditure from this grant should be aligned to the priorities set out in the 2019-2024 Medium Term Strategic Framework for human settlements</li> <li>Funds should be utilised as per the UISP as defined in the National Housing Code</li> <li>Business plans must be informed by the Municipal Informal Settlements Upgrading Strategy, which has to be aligned to the Provincial Informal Settlement Upgrading Strategy</li> <li>Draft and final business plans must be aligned to municipal Integrated Development Plans</li> <li>Municipal managers must sign-off and confirm that projects captured in business plans are ready for implementation in the 2024/25 financial year and will yield the expenditure as per cashflows submitted</li> <li>Final business plans must be submitted by 31 May 2024</li> <li>Municipalities should only implement projects in the approved upgrading plans and any deviation from the approved upgrading plans should be sought from the DHS</li> </ul>

<b>Informal Settlements Upgrading Partnership Grant: Municipalities</b>	
	<ul style="list-style-type: none"> <li>• Municipalities should ensure alignment between the infrastructure grants (provision of bulk) and the ISUPG</li> <li>• Municipal managers must sign off and confirm that projects captured in their informal settlements upgrading plans are assessed and approved for implementation in the 2024/25 financial year</li> <li>• The transfer of the first tranche of funds is conditional upon the Transferring Officer of national Department of Human Settlements (DHS) approving the business plan and informal settlements upgrading plans per settlement consistent with the provisions of the Housing Act, and in compliance with the National Housing Code</li> <li>• The flow of the second tranche will be conditional upon the: <ul style="list-style-type: none"> <li>○ submission of the first quarter report, in line with the requirements of the Municipal Finance Management Act (MFMA) circular 88, signed-off by the accounting officer of the municipality</li> <li>○ submission of the report with financial and non-financial information aligned to the approved upgrading plans</li> </ul> </li> <li>• The flow of the third tranche will be conditional upon submission of second quarter (both financial and non-financial) performance information, in line with the requirements of MFMA circular 88</li> <li>• Municipalities may request in writing to the transferring officer, approval to amend their business plans during the municipal adjustment period</li> <li>• If a municipality is allocated additional funding or its funds are stopped and reallocated to another municipality, a revised business plan must be submitted for subsequent reporting</li> <li>• The payment schedules submitted by municipalities should be derived from the cash flows contained in the approved upgrading plans</li> <li>• Municipalities must spend at least 70 per cent of their allocations on bulk infrastructure and internal services</li> <li>• A maximum of 5 per cent of a municipality's allocation may be utilised for the Operational Support Capital Programme as per the Operational Support Capital Programme Policy of the DHS</li> <li>• A maximum of 3 per cent of the total allocation should be earmarked for social facilitation</li> <li>• A maximum of 5 per cent of the annual allocation should be used for re-blocking</li> <li>• Municipalities may adjust their business plans during the mid-term budget adjustment period</li> <li>• Municipalities are allowed to shift budget between projects in the business plan provided that no new projects are introduced into the business plan in year without the approval of the transferring officer</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The grant is allocated to all metropolitan municipalities</li> <li>• These funds are determined through the USDG allocation formula</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This is a conditional grant with a specific purpose to provide for the upgrading of informal settlements and other related aspects thereto</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R4.3 billion was allocated and transferred to municipalities; and R1.9 billion (45 per cent) was spent</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Service delivery performance is as indicated in the performance evaluation report for 2022/23</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant will continue until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R4.5 billion; 2025/26: R4.7 billion and 2026/27: R4.9 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers will be made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Receive, assess and make determinations on the credibility of municipal informal settlements upgrading plans and the implementation readiness of projects captured therein</li> <li>• Maintain the policy and programme and assist with interpretation</li> <li>• Monitor and evaluate municipal financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the UISP</li> <li>• Provide implementation assistance support to municipalities as may be required</li> <li>• Undertake structured and other visits to municipalities as is necessary</li> <li>• Facilitate structured intergovernmental forums for regular interaction with municipalities</li> <li>• 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</li> <li>• The transferring officer should design and distribute a template, before 1 July 2024, to be signed by a municipal manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities</li> <li>• Use the grant to leverage other forms of funding</li> <li>• Prioritise the gazetted priority projects</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Municipalities should ensure collaboration and involvement of communities and civil organisations in the signing of implementation protocols for projects to be implemented</li> <li>• 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</li> <li>• Develop long term municipal wide informal settlements upgrading strategy that will influence the annual business plan</li> </ul>

<b>Informal Settlements Upgrading Partnership Grant: Municipalities</b>	
	<ul style="list-style-type: none"> <li>• Request assistance from the provincial department on any of the matters concerned if the municipality lacks the capacity, resources or expertise</li> <li>• Municipalities must align their business plan with Municipal housing chapters of IDPs and Infrastructure Reporting Model (IRM) in terms of section 13(1)(a) of this Act</li> <li>• Implement approved projects in accordance with the UISP in the National Housing Code of 2009</li> <li>• Fast-track the planning approval processes for informal settlements upgrading projects</li> <li>• Assume ownership of the engineering services installed</li> <li>• Manage, operate and maintain settlement areas developed under this programme</li> <li>• Coordinate and facilitate the provision of bulk and connector engineering services (including through funding from the main USDG)</li> <li>• 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 29 May 2024</li> <li>• Identify lessons from the implementation of this grant and share these with DHS</li> <li>• Municipalities should submit a signed letter by a municipal manager or a delegated person, as an attachment to the monthly and quarterly reports</li> <li>• Detailed performance report per settlement (i.e., project level performance) report for phase 1-3 aligned to the business plan must be submitted quarterly</li> <li>• Municipalities must adhere to section 16 of the 2024 Division of Revenue Act</li> <li>• Municipalities must utilise the ISUP grant to leverage alternative financing mechanisms/instruments</li> <li>• Municipalities must report quarterly on projects funded, in line with the requirements of the MFMA circular 88. Reporting must include financial and non-financial performance on progress against the UISP plans, using the template prescribed by the DHS</li> <li>• Municipalities must report on the percentage of their allocations awarded to companies owned by designated groups on a monthly and quarterly basis</li> <li>• Municipalities must submit financial performance reports by no later than 10 working days after the end of each month</li> <li>• Each informal settlement should have a project specific upgrading plan available upon request by the DHS</li> <li>• Should on quarterly basis, report on the number of jobs and training opportunities to be created</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Draft business plans must be submitted to the DHS by 24 March 2025</li> <li>• The DHS will provide feedback on the draft business plans by 30 April 2025</li> <li>• Final business plans must be submitted by no later than 30 May 2025</li> </ul>

<b>Urban Settlements Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Human Settlements (Vote 33)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 4, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The creation of sustainable, reliable, quality infrastructure asset base to enable the development of integrated urban settlements that enable improved quality of household life</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• 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"> <li>○ supporting inclusive densification and transit-oriented urban development, integrating existing and new urban developments</li> <li>○ increased investment in existing and new bulk and distribution for urban developments</li> <li>○ improved quality of water and sanitation services</li> <li>○ increased bulk infrastructure capacity for municipal services</li> <li>○ 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</li> <li>○ provision of resources for sustainable community development for social and economic infrastructure and meaningful participation</li> </ul> </li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• The following outputs should be funded by the grant to support the improvement of the overall built environment: <ul style="list-style-type: none"> <li>○ increased annual investment in renewal (rehabilitation and/or replacement) and expansion in municipal bulk and distribution infrastructure</li> <li>○ increase in municipal bulk and link infrastructure increase in access to public and socio-economic amenities</li> <li>○ construction/provision of internal engineering services, including backyarders and densification overlay zones</li> <li>○ increase in land provision for informal settlement upgrading subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments</li> </ul> </li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 2: Economic transformation and job creation</li> <li>• Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses the Urban Settlements Development Grant (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</li> <li>• Name of the grant or fund for which USDG acts as supplementary, per project</li> <li>• Approved project budget and total project expenditure to date</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• Municipalities must prioritise critical water, sanitation, roads, storm water and electricity projects</li> <li>• The flow of the first tranche is conditional upon: <ul style="list-style-type: none"> <li>○ approval of the municipal USDG business plan by the DHS</li> <li>○ submission of the 2023/24 third quarter financial performance signed off by the municipal accounting officer or duly delegated official and non-financial information in line with the requirements set out in the Municipal Finance Management Act (MFMA) circular 88</li> <li>○ submission of a final USDG plan that is aligned to the municipal IDP, SDBIP and national priorities by 15 April 2024</li> </ul> </li> <li>• The flow of the second tranche will be conditional upon the submission of the 2023/24 fourth quarter financial performance signed off by the municipal accounting officer and/or duly delegated authority and non-financial information as per the requirements set out in the MFMA circular 88</li> <li>• The flow of the third tranche will be conditional upon submission of second quarter financial performance signed off by the municipal accounting officer or duly delegated authority and non-financial information as per the requirements set out in the MFMA circular 88</li> <li>• A maximum of 5 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 issued by DHS</li> <li>• Municipalities must indicate the amounts of their annual allocations for spending on the identified national priority projects as approved by the National Department</li> <li>• Municipalities must prioritise the implementation of projects that are in the gazetted Priority Human Settlements and Housing Development Areas subject to these projects being included in the municipal IDP</li> <li>• Municipalities may request in writing to the transferring officer to amend the approved business plans during the mid-term adjustment period. Approval is subject to the transferring officer's concurrence. The following factors must be taken into consideration in the amendment of the business plans:</li> </ul>

<b>Urban Settlements Development Grant</b>	
	<ul style="list-style-type: none"> <li>○ the total grant allocation and delivery targets should be maintained unless the allocation has been stopped or reallocated in terms of sections 18 and 19 of the 2024 Division of Revenue Act (DoRA)</li> <li>○ no new projects are to be introduced into the business plan without approval by the transferring officer</li> <li>● With approval by the transferring officer, municipalities may utilise funding for the procurement of specialised waste management vehicles servicing the poor. Municipalities 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 funds will solely be used for the expansion of waste management services to poor households previously under- served</li> <li>● An amount of R772 million in 2024/25 is ring-fenced for projects conditionally approved through the Budget Facility for Infrastructure (BFI). The following amounts per municipality must be used in 2024/25, as conditionally approved by the BFI committee: <ul style="list-style-type: none"> <li>○ R118 million for eThekweni Metropolitan Municipality for the implementation of phase 1 of the Avoca Node Programme</li> <li>○ R654 million for the City of Johannesburg for the implementation of the Lufhereng Mixed Use Development Programme</li> </ul> </li> <li>● Should there be cost variations of more than 10 per cent on a Budget Facility for Infrastructure funded projects, the relevant municipality is required to inform the National Treasury and the transferring officer within 30 days of confirming the cost variations</li> </ul> <p><b>Water financing component</b></p> <ul style="list-style-type: none"> <li>● Municipalities must submit the following to the transferring officer and the National Treasury to qualify for making an application for the financing component: <ul style="list-style-type: none"> <li>○ a council approved water turnaround strategy by 31 July 2024</li> <li>○ a roadmap on the institutional reforms for improved management and governance by 30 September 2024</li> <li>○ a water and sanitation services business and investment plan that is consistent with the water services development plan by 30 September 2024</li> </ul> </li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>● The grant is allocated to all metropolitan municipalities</li> <li>● The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2024 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data</li> <li>● The BFI allocations ring-fenced in this grant are application-based</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>● This is a supplementary capital infrastructure grant with conditions, objectives and distribution criteria (including infrastructure backlogs) different to those of the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>● Of the R7.5 billion allocated, R7.3 billion was transferred to municipalities; and R3.6 billion (49 per cent) was spent</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>● Service delivery performance is as indicated in the performance evaluation reports for 2022/23</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>● This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>● 2024/25: R8.7 billion; 2025/26: R9.2 billion and 2026/27: R9.8 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>● Transfers will be made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>● Develop indicators for the outcomes and outputs</li> <li>● Convene a structured forum to meet with municipalities on a quarterly basis</li> <li>● Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities</li> <li>● Provide support to municipalities with regard to human settlement programmes including but not limited to oversight visits to municipalities as may be necessary, facilitate strategic and spatial planning support related to urban development</li> <li>● Publish a guideline by 30 March 2024 on how municipalities should use capacity funds from this grant</li> <li>● Ensure collaboration between provinces and municipalities to promote area-based planning, budgeting and funding alignment as well as implementation support, where applicable</li> <li>● 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</li> <li>● Participate in the municipal budget benchmarking process as and when indicated by the National Treasury</li> <li>● The transferring officer should design and distribute a template by 1 July 2024 to be signed by a municipal manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities</li> <li>● The review of revised business plans must be finalised by the DHS within 14 days of submission by the municipality</li> <li>● Use this grant to leverage alternative financing mechanisms/instruments</li> </ul> <p><b>Responsibilities of other national sector departments</b></p> <ul style="list-style-type: none"> <li>● 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 in line with the requirements set out in the MFMA circular 88</li> </ul>



<b>Urban Settlements Development Grant</b>	
	<ul style="list-style-type: none"> <li>• National Treasury will issue a guidance note by 1 April 2024, on requirements for turnaround strategies, institutional reforms and business plans for the water financing component</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Complete the business plan template and ensure accurate information and data is provided</li> <li>• Metropolitan municipalities may replace non-performing projects with performing projects providing a similar infrastructure that fulfils the same policy objectives. The performing projects should be from the approved business plans and the replacement should not jeopardise the achievement of the overall MTSF targets committed to by the municipality</li> <li>• Changes to the project list of the approved business plan and within the same and related function must be reported quarterly to the DHS in writing and provide all the relevant details of the new project within 30 days after the end of the quarter</li> <li>• Comply with the terms and conditions of the receiving officer outlined in the 2024 DoRA</li> <li>• Ensure effective and efficient utilisation of the grant and alignment to the purpose and outputs of the grant</li> <li>• Ensure compliance with required intergovernmental forums, reporting, and accountability frameworks for human settlements</li> <li>• Ensure that the USDG is used to meet municipal priorities</li> <li>• Municipalities should submit a signed letter by a municipal manager or a delegated authorised person as an attachment to the monthly and quarterly reports</li> <li>• Municipalities must report on the percentage of their allocations spent on service provided by companies owned by designated groups on a quarterly basis</li> <li>• Municipalities must adhere to section 16 of the 2024 DoRA</li> <li>• Municipalities must report quarterly on projects funded, in line with the requirements of the MFMA circular 88. Reporting must include financial and non-financial performance on progress against UISP plans, using the template prescribed by the DHS</li> <li>• Municipalities must submit the financial performance reports within 10 working days after the end of the month</li> <li>• Use this grant to leverage alternative financing mechanisms/instruments</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities must submit a comprehensive draft USDG plan (based on MFMA circular 88 indicators) with targets aligned to the MTSF, IDP and SDBIP and a draft and/or approved municipal budget to the transferring officer for comment, by 15 February 2025</li> <li>• The revised USDG plan should be submitted by 15 April 2025</li> <li>• The business plan will be finalised before the start of the municipal financial year</li> </ul>

## NATIONAL TREASURY GRANTS

<b>Infrastructure Skills Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 8)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>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 and regional planning, quantity surveying, geographic information systems and project management</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Developed technical capacity within local government to enhance infrastructure provision, and service delivery, through improved infrastructure planning, implementation, operations and maintenance</li> <li>Registered professionals with built environment qualifications (national diploma and/or degree) as per the statutory councils' requirements</li> <li>Increased number of qualified and registered professionals employed within local government</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of built environment graduates registered as candidates for training and professional development as per requirements of the relevant statutory councils</li> <li>Number of graduates recognised as registered professionals by the relevant statutory councils</li> <li>Number of graduates employed as registered professionals within the built environment in local government</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The 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 and the budget must be clearly outlined</li> <li>Municipalities must have a Project Management Unit</li> <li>The business plan must be signed by the Municipal Manager</li> <li>Graduates must be seconded to an entity (public or private) if no relevant training is available to develop the necessary competence of the graduates</li> <li>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</li> <li>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</li> <li>Municipalities must provide training as per the road-to-registration requirements of the relevant statutory council</li> <li>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</li> <li>The ISDG funding is to be utilised exclusively for costs associated with the training and professional development process of graduates (refer to ISDG guidelines)</li> <li>The business plan of a municipality must include an absorption strategy for the graduates within the municipality or any other municipality</li> <li>A project administrator may be appointed per municipality for the purpose of the ISDG administration if approved by National Treasury (refer to ISDG guidelines)</li> <li>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</li> <li>Graduates must be assigned to a supervisor with experience in the same field as the graduates-in-training</li> <li>Graduates' training progress is to be evaluated by professionally registered mentors on a quarterly basis and the development of the required competencies of graduates is to be evaluated bi-annually</li> <li>Municipalities must submit monthly and quarterly reports timeously</li> <li>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</li> <li>Municipal Managers must sign a service level agreement (SLA) with the National Treasury and such an agreement must be adhered to</li> <li>Non-compliance with the above conditions can result in the funds being withheld, stopped or re-allocated</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on business plans submitted and the ability of municipalities to provide training and professional development to graduates for the duration of the candidacy phase as stipulated by statutory councils</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This conditional grant is meant to develop technical skills within municipalities</li> </ul>

<b>Infrastructure Skills Development Grant</b>	
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R160 million was allocated and transferred to 15 municipalities and R154 million was spent</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• The grant has created employment and training opportunities</li> <li>• Currently, 364 graduates are in training</li> <li>• Since the inception of the grant, 332 graduates have been professionally registered with the relevant statutory councils</li> <li>• 270 graduates are professionally registered and absorbed by the municipalities</li> <li>• In 2022/23 the following municipalities hosted graduates through the grant: Buffalo City (20 graduates); Nelson Mandela Bay (37 graduates); eThekweni (64 graduates); City of Johannesburg (15 graduates); Polokwane (18 graduates); Govan Mbeki (67 graduates); Gert Sibande (31 graduates); Alfred Nzo (19 graduates); Sol Plaatje (13 graduates); John Taolo Gaetsewe (9 graduates); King Sabata Dalindyebo (10 graduates); City of Cape Town (23 graduates); George (17 graduates); Alfred Duma (11 graduates); Thulamela (10 graduates)</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The grant is expected to continue up to 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R165 million; 2025/26: R173 million and 2026/27: R181 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by the National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Issue guidelines and supporting documentation for the implementation of the ISDG</li> <li>• Rollout the ISDG in municipalities in compliance with the ISDG framework, guidelines and relevant prescripts</li> <li>• Manage, monitor and report on the programme</li> <li>• Ensure professional development is aligned to statutory council requirements</li> <li>• Monitor the registration progress of graduates with the relevant statutory councils by municipalities</li> <li>• Monitor financial and non-financial performance of the ISDG</li> <li>• Maintain graduates' database for the ISDG</li> <li>• Work with relevant stakeholders on policies, strategies and guidelines to recruit graduates into permanent positions in local government after they have registered as professionals</li> <li>• Participate in the review of the municipal capacity support system during 2024</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Comply with the requirements of the 2024 Division of Revenue Act, ISDG guidelines, service level agreement and the requirements of the relevant statutory councils</li> <li>• 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</li> <li>• 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</li> <li>• Provide the candidate with the requisite workspace, supervisor, tools of profession/trade and logistics to perform the recommended activities within their training plans</li> <li>• Continuously review and assess the candidates' work and progress on the road-to-registration and make recommendations for corrective action</li> <li>• Ensure that candidates attend professional development activities in accordance with their training plans, progress and the requirements of their respective statutory councils</li> <li>• Attend all meetings and workshops convened by the National Treasury relating to this grant</li> <li>• Support and supervise graduates on the road-to-registration training</li> <li>• 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</li> <li>• Manage the programme and provide progress reports on a monthly and quarterly basis in the standard reporting templates provided by the National Treasury</li> <li>• Manage the utilisation of ISDG funds and report to the National Treasury</li> <li>• 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</li> <li>• 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</li> <li>• Municipalities must submit evidence of the graduates' registration to National Treasury when graduates have registered as professionals</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Interested municipalities must submit a three-year business plan by 30 August 2024 for assessment by the National Treasury</li> <li>• Participating municipalities must submit revised business plans to the National Treasury by 30 August 2024</li> </ul>

<b>Local Government Financial Management Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 8)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To secure sound and sustainable management of the fiscal and financial affairs of municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA)</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Strengthen capacity in financial management of municipalities</li> <li>Improved and sustained skills development, including appointment of interns supporting the implementation of financial management reforms focusing on the gaps identified in the Financial Management Capability Maturity Assessments and as reflected in the Financial Management Grant (FMG) support plans</li> <li>Appropriately skilled financial officers appointed in municipalities with financial management competencies beyond the minimum competencies' regulations</li> <li>Timely submission of all in-year reports, including the financial statements and improved audit outcomes</li> <li>Improvement in municipal financial governance and oversight decisions</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of municipal officials registered for financial management training</li> <li>Number of interns serving on the internship programme</li> <li>Number of municipalities that have assessed their Financial Management Capability Maturity (FMCMM) using the web enabled FMCMM &amp; Audit Action Plan tools and developed plans to address weaknesses</li> <li>Number of municipalities with established internal audit units and audit committees</li> <li>Number of municipalities that utilise the e-monitoring compliance system to improve financial management</li> <li>Number of municipalities that are compliant with the Standard Chart of Accounts (mSCOA)</li> <li>Number of support plans developed</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 1: A capable, ethical, and developmental state</li> <li>Priority 5: Spatial integration, human settlements, and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses a FMG support plan to direct resources towards addressing weaknesses in financial management</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>FMG funds can be used towards the following to improve institutional sustainability: <ul style="list-style-type: none"> <li>strengthen capacity and up-skilling officials in the budget and treasury office, internal audit and audit committees</li> <li>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 interns through the internship programme</li> <li>acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, service delivery and budget implementation plans, annual financial statements, annual reports and automated financial management practices</li> <li>support the training of municipal financial management officials towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007 amended through Gazette 41996 of October 2018</li> <li>support the preparation of the assets register, focusing on skills transfer to municipal officials</li> <li>any technical support to municipalities must include the transfer of skills to municipal officials</li> <li>support to strengthen financial governance and oversight, as well as the functioning of internal audits and audit committees</li> <li>on-going review, revision and submission of FMG support plans to the National Treasury that address weaknesses in financial management</li> </ul> </li> <li>FMG support plan must be consistent with the conditions of the grant and be submitted timeously</li> <li>Timely submission of reports with complete information as prescribed in the 2024 Division of Revenue Act (DoRA)</li> <li>Expenditure must be maintained at appropriate levels</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>All municipalities benefit from the allocations to augment their own resources in support of implementation of the financial management reforms</li> <li>Priority is given to municipalities: <ul style="list-style-type: none"> <li>with challenges/shortcomings in processes, procedures and systems to effectively implement the MFMA, as identified in the Financial Management Capability Maturity assessment</li> <li>with poor audit outcomes</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes.</b></p> <ul style="list-style-type: none"> <li>R569 million was allocated and transferred to 257 municipalities</li> <li>R563 million was spent by municipalities</li> </ul>

<b>Local Government Financial Management Grant</b>	
	<p><b>2022/23 service delivery performance.</b></p> <ul style="list-style-type: none"> <li>• 257 municipalities submitted FMG support plans</li> <li>• 1 205 graduate finance interns were serving on the internship programme in municipalities as at 30 June 2023</li> <li>• 3 461 interns have been permanently appointed since 2004 in municipalities</li> <li>• 1 534 officials received statements of results for attaining the minimum competencies</li> <li>• 257 municipalities are budgeting and transacting using the municipal standard charts of accounts</li> <li>• 185 municipalities have established disciplinary boards as at 30 June 2023</li> <li>• 239 municipalities submitted AFS by the extended deadline as at 31 October 2022</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R582 million; 2025/26: R590 million and 2026/27: R617 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Management, monitoring, and reporting on the programme</li> <li>• Transfer funds to municipalities in terms of the 2024 DoRA</li> <li>• Participate in the review of the municipal capacity support system during 2024</li> <li>• With respect to the provision of support for the preparation of asset registers, collaborate with the Department of Cooperative Governance</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Submit support plans which are consistent with the conditions of the grant</li> <li>• Submit reports consistent with the reporting requirements in the 2024 DoRA</li> <li>• Undertake an assessment of the requisite skills and training needs in the Budget and treasury office, internal audit units in full-time employment, to enable the municipality to perform the functions required in the MFMA</li> <li>• Develop consultancy reduction plans on all financial management disciplines where consultants are appointed to perform such functions</li> </ul>
<b>Process for approval of 2025/26 support plans</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>

<b>Neighbourhood Development Partnership Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 8)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B and Schedule 6, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Eradicating spatial inequality towards the creation of liveable, sustainable, resilient, efficient, and integrated towns and cities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To 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, townships and rural towns</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Spatially integrated cities and towns</li> <li>Diversity of public and private capital investments leveraged into targeted locations</li> <li>Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third-party capital investment into strategic locations</li> <li>Improved municipal capacity to support infrastructure investment planning, prioritisation, and ability to drive long-term spatial transformation</li> <li>Improved social cohesion and strengthened social safety net</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Targeted locations with catalytic projects, defined as either: <ul style="list-style-type: none"> <li>urban hub precincts with secondary linkages and rural regional service centres</li> <li>catalytic programmes within integration zones</li> <li>built environment upgrade projects in urban townships and rural towns</li> <li>leveraged third-party capital investment into targeted locations</li> </ul> </li> <li>The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events</li> <li>Enhanced municipal strategic competencies in investment targeting, implementation, and urban management</li> <li>Number of work opportunities and full-time equivalents created through the city-led public employment programme (PEP)</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 2: Economic transformation and job creation</li> <li>Priority 5: Spatial integration, human settlements, and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Compliance with the aims and objectives outlined in the investment plans between the municipality and the transferring officer</li> <li>Submission of cash flow schedules with budgets and time-frames for technical assistance and capital grant (project) implementation as requested by the transferring officer</li> <li>Programme execution is dependent on a sequential and formal acceptance/approval by the transferring officer of NDPG-related municipal plans or deliverables</li> <li>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</li> </ul> <p><b>City-led Public Employment Programmes (PEP)</b></p> <ul style="list-style-type: none"> <li>R650 million has been allocated to the eight metros from the Public Employment Stimulus for 2024/25. The breakdown per municipality is as follows: <ul style="list-style-type: none"> <li>Buffalo City R36 million</li> <li>City of Cape Town R130 million</li> <li>City of Ekurhuleni R125 million</li> <li>City of Johannesburg R86 million</li> <li>City of Tshwane R111 million</li> <li>eThekweni R107 million</li> <li>Mangaung R40 million</li> <li>Nelson Mandela Bay R15 million</li> </ul> </li> <li>Funds may be used to implement new or upscale existing city-led PEPs that contribute to: upgrading informal settlements, township economic development, maintenance, development and management of public space and assets within human settlement and economic nodes, greening and cleaning; food safety; innovative service delivery; sharing and management of local knowledge and information; community safety; environmental services and management; and community tourism</li> <li>Metropolitan municipalities must submit a business plan for approval by National Treasury on the date stipulated by National Treasury, outlining the key PEP initiatives, activities, inputs, output indicators and outcome indicators and delivery and reporting mechanisms</li> <li>Project implementation and spend can only commence on approval of the business plan by National Treasury</li> <li>90 per cent of the funds may be used for the operating costs of running a public employment programme: <ul style="list-style-type: none"> <li>the basic minimum wage should be used as a guideline for costing the PEP employment opportunities</li> <li>supervisory, project management and operational-related materials costs should be budgeted for</li> </ul> </li> <li>A maximum of 10 per cent of the PEP allocation can be used for the purchasing of capital equipment</li> <li>Cities can shift funds between city-led PEP projects, but they are required to notify the National Treasury of any such shifts in the monthly reports</li> </ul>

<b>Neighbourhood Development Partnership Grant</b>	
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The grant funds the following activities in targeted locations that are defined as urban hubs and regional service centres: <ul style="list-style-type: none"> <li>○ planning and the development of catalytic programmes and projects</li> <li>○ the development of built environment upgrade projects in townships and rural towns</li> </ul> </li> <li>• 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</li> <li>• 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</li> <li>• Allocations are focused on municipalities whose circumstances align with the NDPG's criteria, these include: higher population densities, diverse nature of economic activity, concentrations of poverty, inefficient spatial-historical development, improved connectivity and mobility (in particular through improved public transport networks)</li> <li>• Rural towns are selected according to population or population growth, location, economic potential and/or growth and governance and financial health</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes:</b></p> <ul style="list-style-type: none"> <li>• R1.3 billion was allocated and transferred in Schedule 5, Part B direct transfers to municipalities and R1.1 billion was spent</li> <li>• R201 million allocated in Schedule 6, Part B indirect transfers to municipalities and R190 million of this was spent by the end of the national financial year</li> </ul>
	<p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 90 NDPG projects under construction in 2022/23</li> <li>• R20 billion in estimated third party investment leveraged (cumulative since 2007/08)</li> <li>• 698 catalytic projects approved (cumulative since 2007/08)</li> <li>• 18 long-term urban regeneration programmes registered (cumulative since 2013/14)</li> <li>• 23 640 jobs were created under PEP</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant is expected to continue over the medium term</li> <li>• PEP portion of the grant has been extended to 2024/25</li> </ul>
<b>MTEF allocations</b>	<p><b>Direct transfers (Schedule 5, Part B):</b></p> <ul style="list-style-type: none"> <li>• 2024/25: R1.3 billion; 2025/26: R669 million and 2026/27: R700 million</li> </ul> <p><b>Allocation-in-kind (Schedule 6, Part B):</b></p> <ul style="list-style-type: none"> <li>• 2024/25: R95 million; 2025/26: R99 million and 2026/27: R104 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• 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"> <li>○ notifying all municipalities of their allocation status, both directly and via the Neighbourhood Development Partnerships page on the National Treasury website</li> <li>○ reporting in terms of the 2024 Division of Revenue Act (DoRA)</li> <li>○ determining grant allocations for the Medium-Term Expenditure Framework period</li> <li>○ governing the acceptance or approval milestones of NDPG-related municipal plans or deliverables</li> <li>○ monitoring, managing and evaluating financial and non-financial performance</li> <li>○ overseeing and enforcing the conditions of this grant</li> <li>○ producing and disseminating toolkits, guidance and good practice notes that strengthen competencies in investment targeting, implementation and urban management</li> </ul> </li> <li>• 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</li> <li>• Participate in the review of the municipal capacity support system during 2024</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the 2024 DoRA</li> <li>• Submit a cash flow schedule with budgets and time-frames for technical assistance and/or capital grant implementation as requested by the transferring officer</li> <li>• Provide adequate human resources capacity for the successful coordination and implementation of NDPG projects</li> <li>• 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</li> <li>• Cities must form partnerships with relevant civil society or private sector implementing partners for the roll-out of City PEPs in line with City partnering policies</li> <li>• Manage and monitor technical assistance and/or capital grant implementation ensuring sound financial management and value for money</li> <li>• Maintain accurate and up to date grant and performance information as specified in NDPG management information formats and systems</li> <li>• Engage stakeholders so as to develop partnerships that leverage funding into the targeted locations</li> <li>• Enter and manage partnerships agreements to ensure that the desired project deliverables and objectives are met</li> </ul>

<b>Neighbourhood Development Partnership Grant</b>	
	<ul style="list-style-type: none"> <li>• Collect and provide evidence of funding leveraged into each precinct</li> <li>• Mainstream and reflect the NDPG development strategies and plans across the municipality, i.e., through the municipal:               <ul style="list-style-type: none"> <li>○ spatial development frameworks and capital investment frameworks (as a chapter in the municipal Spatial Development Framework)</li> <li>○ Integrated Development Plans</li> </ul> </li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Submission of NDPG related municipal plans and/or deliverables within the timeframes defined in each municipality's own work plans</li> <li>• Plans and/or deliverables must include an indication of:               <ul style="list-style-type: none"> <li>○ the ability to attract and report on third-party funding leveraged</li> <li>○ the quality of performance and progress reporting</li> <li>○ 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</li> </ul> </li> </ul>



<b>Programme and Project Preparation Support Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 8)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The development of more inclusive, liveable, productive and sustainable urban built environments in metropolitan municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To 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</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Strengthened and effective system of programme and project preparation in the metropolitan municipalities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Effective and transparent system for project approvals (clearly defined authorising environment) in the metropolitan municipalities</li> <li>Increased investment in programme and project preparation by the metropolitan municipalities</li> <li>Credible pipeline of projects developed by metropolitan municipalities</li> <li>Number of feasibility studies/strategies completed</li> <li>Long-term programmes/projects that will attract private investment and assist metropolitan municipalities enhance revenue</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements, and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Inputs</li> <li>Key activities</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Eligibility is restricted to metropolitan municipalities which have committed to co-financing contributions</li> <li>The first transfer of the grant will only be released to a municipality that has, by 31 May 2024, submitted a work plan to National Treasury with programme and project preparation activities. Transfers will be based on performance in line with the work plans and approved projects submitted to National Treasury</li> <li>Funds can only be spent on direct operating costs for programme and project preparation activities</li> <li>Metropolitan 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</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations will be made based on municipal submissions (work plan)</li> <li>Final allocations will be based on performance</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Past performance</b>	<p><b>2022/2023 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The grant was allocated R361 million, of which R361 million was transferred and R306 million was spent by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>84 PPPSG projects were funded in 2022/23</li> <li>96 Projects were approved in 2022/23</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue over the medium term</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R386 million; 2025/26: R391 million and 2026/27: R409 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Review eligibility criteria and assess compliance with grant conditions prior to the transfer of each tranche of the allocations</li> <li>Provide operational guidelines, facilitate peer learning and provide capacity support through the Cities Support Programme and the Neighbourhood Development Programme</li> <li>Participate in the review of the municipal capacity support system during 2024</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Submit a work plan of activities relating to the establishment and institutionalisation of programme and project preparation</li> <li>Implement the work plan and report on progress</li> <li>The financing plan with associated co-funding agreements must be in place prior to implementation of the project unless an exemption to co-funding requirements has been approved by National Treasury</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>National Treasury will communicate further details of the requirements for project and programme preparation funding over the 2024 Medium-Term Expenditure Framework period by September 2024</li> <li>Municipalities must submit a work plan of activities relating to the establishment and institutionalisation of programme and project preparation by November 2024</li> </ul>

<b>Smart Meters Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 8)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 6, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To achieve financial sustainability and improved management in municipal electricity/water services, and generate pre-service cash</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To enable municipalities to implement bi-directional smart metering systems</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Enhanced oversight of revenue and financial management controls for greater accountability</li> <li>Optimised cash generation and cashflow through the implementation of prepayment systems for electricity/water service</li> <li>Streamlined operations in electricity/water distribution and revenue generation for increased efficiency</li> <li>Sustainable electricity/water operations for long-term viability</li> <li>Cost-efficient trading services that reflect accurate pricing to ensure self-sustainability</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of smart bi-directional meters installed on behalf of the municipality</li> <li>Reduction of technical distribution losses pertaining to the municipal electricity/water function</li> <li>Percentage and Rand value improvement in revenue collection vs the baseline (collection prior to implementation)</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 1: A capable, ethical, and developmental state</li> <li>Priority 5: Spatial integration, human settlements, and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>Outcome indicators</li> <li>Output indicators</li> <li>Key activities</li> <li>Inputs (resources)</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>By May 2024, municipalities must submit to the National Treasury: <ul style="list-style-type: none"> <li>council-approved smart meter business plans in the prescribed format with all required information; and</li> <li>signed contracts (including annexures) within 10 working days of the National Treasury's request</li> </ul> The accounting officers of municipalities must reprioritise an existing technical services resource in the municipality to fulfil the meter implementation-and-monitoring function of overseeing and managing all the metering systems in the municipality (including water meters) </li> <li>In the third year of implementation, participating municipalities must gradually adjust tariffs to reflect the costs of smart meter maintenance and related grid systems</li> <li>Municipalities must prioritise revenue collection improvements resulting from the installation.</li> <li>Funds may only be used in accordance with approved project plans. Council and National Treasury must give written approval for any amendments to the plans prior to implementation</li> <li>Municipalities must enforce credit control and reporting, including in Municipal Standard Chart of Accounts (mSCOA) and as required by National Treasury, for a minimum of five years after benefiting from the grant and in alignment with municipal debt relief programme</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>In the 2024/25, the grant will prioritise municipalities in the debt relief programme</li> <li>Of the municipalities who have applied, preference will be given to those with: <ul style="list-style-type: none"> <li>council-approved business plans (per customer category and ward)</li> <li>high potential for revenue generation/protection</li> <li>high potential reduced electricity/water loss</li> <li>viable and feasible projects</li> <li>integrated meter implementation/monitoring with staff capabilities</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a specific purpose grant with conditions, objectives and allocation criteria different from that of the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>Not applicable</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R500 million; 2025/26: R650 million and 2026/27: R800 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Payments are made after verification of work performed</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Appoint the service providers in terms of the RT29 transversal tender to implement the smart solution</li> <li>Agree with municipalities on outputs and targets</li> <li>Continuously monitor implementation and provide support to municipalities</li> <li>Verify reports from the appointed service providers and municipalities</li> <li>Enter into an MoU with benefiting municipalities regarding roles and responsibilities, synchronisation of the systems, ownership, funding arrangements, and operation and maintenance of proposed smart solution prior to the commencement of implementation</li> <li>Ensure that suitable agreements in terms of operation and maintenance are in place</li> <li>Upon receipt of invoices from National Treasury's contracted implementing, verify work done before making payments</li> <li>Enter into the contract with municipalities and the National Treasury appointed service providers</li> </ul>

<b>Smart Meters Grant</b>	
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Monitor and ensure that projects are implemented in line with what is reflected in the Integrated Development Plans (IDPs) and approved business and project implementation plan of the municipality</li> <li>• 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 the solution</li> <li>• Abide by National Treasury's planning and coordination for smart meter systems and related infrastructure</li> <li>• The municipality must make a facility available for the back-office monitoring</li> <li>• Municipalities must pro-actively, parallel undertake public consultation process(es) for their business plans in ward(s) and for the customer category(s) earmarked in their applications as part of their IDP consultation processes</li> <li>• Track the saving emanating from the initiative in line with reporting requirements set by National Treasury</li> <li>• Accurately report grant management and submit service provider milestones, invoices, and reports to National Treasury</li> <li>• Establish/maintain meter implementation and monitoring function within two months of approval</li> <li>• Operate smart meters and system according to contract/license conditions</li> <li>• Undertake public consultation for business plans in relevant ward(s) and customer category(s)</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Application forms will be sent to municipalities, and all received applications and business plan proposals (with council resolution support) will be evaluated and finalised by 15 June 2024</li> </ul>

## PUBLIC WORKS AND INFRASTRUCTURE GRANT

<b>Expanded Public Works Programme Integrated Grant for Municipalities</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Public Works and Infrastructure (Vote 13)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To incentivise municipalities to expand work creation efforts through the use of labour-intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines:               <ul style="list-style-type: none"> <li>road maintenance including but not limited to block paving and pothole patching</li> <li>maintenance of buildings</li> <li>low traffic volume roads and rural roads</li> <li>basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure)</li> <li>other economic and social infrastructure</li> <li>tourism and cultural industries</li> <li>waste management and cleaning services</li> <li>parks and beautification</li> <li>sustainable land-based livelihoods</li> <li>social services programmes</li> <li>energy including but not limited to retro-fitting, solar</li> </ul> </li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Contribute towards increased levels of employment</li> <li>Improved opportunities for sustainable work through experience, learning gained and skills development</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of Full-Time Equivalents (FTEs) to be created through the grant</li> <li>Number of people employed, trained and receiving income through the EPWP</li> <li>Number of days worked per work opportunity created</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 2: Economic transformation and job creation</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by the Department of Public Works and Infrastructure (DPWI), the latest EPWP Ministerial Determination, the EPWP Recruitment Guidelines and the National Minimum Wage Act of 2018 including applicable gazettes</li> <li>Municipalities must register all EPWP projects on the DPWI's EPWP reporting system</li> <li>Project data reports must be loaded and updated 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</li> <li>Municipalities must maintain participant and payroll records as specified in the audit requirements in the EPWP grant manual and the Ministerial Determination</li> <li>The EPWP grant cannot be used to fund the costs of permanent municipal personnel, however, a maximum of 5 per cent of the grant can be used to fund contract-based capacity required to manage data capturing and on-site management costs related to the use of labour-intensive methods</li> <li>The EPWP grant can only be utilised for EPWP purposes, for projects only approved in each municipality's EPWP project list</li> <li>To receive the first tranche of the allocations, eligible municipalities must submit a signed integrated agreement with a project list by 28 June 2024</li> <li>Subsequent grant disbursements are conditional upon:               <ul style="list-style-type: none"> <li>eligible municipalities reporting EPWP performance on the DPWI's EPWP reporting system within the required timeframes</li> <li>compliant reporting on EPWP Integrated Grant funded projects</li> <li>submitting on a quarterly basis, non-financial reports including for the last quarter of the previous financial year</li> <li>reporting on EPWP Integrated Grant expenditure monthly within the required time frames</li> </ul> </li> <li>Municipalities must implement their approved EPWP project list and meet agreed FTE targets</li> <li>Municipalities must ensure that EPWP branding is included as part of the project cost in line with the DPWI's corporate identity manual</li> <li>At least 2 per cent of the grant allocation should be used for training of participants</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>To align with the priorities of the Executive Authority, all 257 municipalities will receive an allocation in 2024/25, and the base allocation is R1.2 million. Additional allocations are based on:               <ul style="list-style-type: none"> <li>past EPWP performance</li> <li>the number of FTE jobs created in the prior 18 months</li> <li>past performance with regard to labour intensity in the creation of EPWP work opportunities</li> <li>Household Living Conditions from 2022 Census used as an adjustment factor</li> </ul> </li> <li>Allocation criteria include a rural bias</li> <li>Rural municipalities will also be prioritised in terms of technical support for implementation provided by DPWI</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>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</li> </ul>

<b>Expanded Public Works Programme Integrated Grant for Municipalities</b>	
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The grant had an allocation of R778 million, 254 municipalities were eligible for the grant and 100 per cent of the allocation was transferred to these municipalities. R740 million of the transferred funds was spent by the end of the financial year</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>343 803 work opportunities were reported by 254 municipalities and validated on the EPWP system</li> <li>93 308 FTE jobs were reported by 254 municipalities and validated on the EPWP system</li> <li>Average duration of the work opportunities created has increased to 62 days</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2024/25: R560 million; 2025/26: R567 million and 2026/27: R593 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by the National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Determine eligibility and set grant allocations and FTE targets for eligible municipalities</li> <li>Publish on the EPWP website all documents relevant for municipalities to understand and implement the grant, including a grant manual, the relevant EPWP guidelines, the EPWP Ministerial Determination and the National Minimum Wage Act including applicable gazettes</li> <li>Support municipalities in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> <li>identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria</li> <li>apply the EPWP project selection criteria and EPWP guidelines to project design</li> <li>report using the EPWP reporting system project implementation information including project outputs and expenditure</li> </ul> </li> <li>Monitor the performance and spending of municipalities according to the signed incentive agreement</li> <li>Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement</li> <li>Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions</li> <li>Conduct site visits to verify existence of the projects and identify where support is needed</li> </ul> <p><b>Responsibilities of the eligible municipalities</b></p> <ul style="list-style-type: none"> <li>Develop an EPWP project list and sign the standard funding agreement with DPWI by 28 June 2024, agreeing to comply with the conditions of the grant before receiving any grant disbursement</li> <li>Agree on the areas requiring technical support from DPWI upon signing the grant agreement</li> <li>Ensure that reporting is done within the timelines stipulated in the grant agreement and that compliant information is captured in the EPWP reporting system</li> <li>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</li> <li>EPWP work opportunity reports must be captured on a monthly basis in order for progress to be assessed</li> <li>Submission of quarterly non-financial reports by the timelines stipulated in the clauses of the 2024 Division of Revenue Act</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>Municipalities must report performance on EPWP projects for the 2024/25 financial year by 15 October 2024 to be eligible for a grant allocation</li> <li>Municipalities must submit a signed EPWP integrated agreement and project list by 30 June 2025</li> </ul>

## TRANSPORT GRANTS

<b>Public Transport Network Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 40)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that forms part of a municipal integrated public transport network</li> <li>• To support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved public transport network infrastructure and services that function optimally and are safe, convenient, affordable, well managed and maintained</li> <li>• Public transport systems that are accessible to an increasing percentage of the population of urban municipalities and contribute to more spatially efficient urban areas</li> </ul>
<b>Outputs</b>	<p><b>Network Operations Component</b></p> <ul style="list-style-type: none"> <li>• Number of average weekday passenger trips carried on Public Transport Network Grant (PTNG) funded networks</li> <li>• 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</li> <li>• Percentage uptime for network operating systems as a proportion of the network's public operating hours</li> <li>• Passengers per network vehicle per average weekday</li> </ul> <p><b>Network Infrastructure Component</b></p> <ul style="list-style-type: none"> <li>• Public transport network infrastructure including dedicated lanes; routes and stops/shelters; stations; depots; signage, audio and visual 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 including but not limited to sidewalks, cycleways, cycle storage at stations</li> <li>• Plans and detailed designs related to IPTN infrastructure and operations</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses IPTN operational and related plans that include financial modelling</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Projects must be based on, and form part of, a strategic, municipal wide, long-term IPTN plan and strategy approved by the municipal council</li> <li>• 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</li> <li>• Projects must support an integrated multi-modal network approach as defined in the National Land Transport Act (NLTA) and the Public Transport Strategy. Municipalities must manage operations to progressively achieve the standard of service defined in the Public Transport Strategy within available resources</li> <li>• 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</li> <li>• The first tranche is subject to submission of milestones in terms of the template determined by DoT by 31 May 2024 or within seven working days upon adoption/approval by the municipal council, as part of the annual budget appropriation</li> <li>• 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</li> <li>• All public transport infrastructure and services funded through this grant must ensure that there is provision for the needs of special categories of passengers in line with the requirements of section 11(c)(xiv) of the NLTA</li> <li>• Allocations for this grant are made to fund the planning, development, implementation, and operations for specific network phase(s) through two components, with separate conditions applicable to each component as set out in the allocation criteria section below</li> <li>• Allocations for the Network Operations Component will be determined by DoT once municipalities submit an annual operations plan including financial forecasts for 2024/25 by 31 May 2024 or within seven working days, upon adoption/approval by the 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</li> <li>• The second tranche is subject to cities submitting, by 31 July 2024, an updated multi-year financial operational plan (approved by council) for the duration of the vehicle operating contract/s pertaining to any phase on which the 2024/25 grant funds will be spent</li> <li>• 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</li> <li>• An amount of R1.6 billion in 2024/25 is allocated to the City of Cape Town, as per the cash flow schedule for the MyCiti Phase 2A project, funded through the Budget Facility for Infrastructure (BFI) and may only be used for that purpose. Should there be cost variations of more than 10 per cent on the BFI funded project,</li> </ul>

<b>Public Transport Network Grant</b>	
	<p>the municipality is required to inform National Treasury and the transferring officer within 30 days of confirming the cost variations</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• The currently suspended municipalities are required to meet the readmission criteria set by the DoT and National Treasury in the readmission framework and all the requirements in this grant framework</li> </ul> <p><b>Network Operations Component</b></p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• 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</li> <li>• IPTN operational plans and ongoing 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</li> <li>• 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</li> <li>• Municipalities must enforce rules and by-laws related to the IPTN and regarding usage of dedicated lanes, fare payment, and operator/supplier compliance with contractual provisions</li> <li>• Municipalities are required to establish the specialist capacity to manage and monitor public transport system contracts and operations</li> <li>• Verified data on operator revenue and profitability; and draft agreements based on credible passenger surveys) for the compensation of existing economic rights of affected operators must be submitted to DoT for concurrence before concluding agreements on compensation for economic rights</li> <li>• Municipalities must enforce agreements that only legal operators operate on routes subject to compensation agreements</li> </ul> <p><b>Network Infrastructure Component</b></p> <ul style="list-style-type: none"> <li>• The grant can fund all IPTN-related infrastructure, including non-motorised transport, upgrades of existing public transport infrastructure and new infrastructure</li> <li>• 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</li> <li>• 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</li> <li>• IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations)</li> <li>• Contracted operators should finance and own vehicles unless a case for the exceptional use of limited infrastructure funding for vehicle procurement is approved by DoT, in consultation with National Treasury. <b>If approval is granted, any vehicles purchased with grant funds must remain the property of the municipality</b></li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are only made to municipalities that submit business plans in line with the above conditions, which demonstrate sufficient capacity to implement and operate any proposed projects, and credibly demonstrate the long-term fiscal and financial sustainability of the proposed projects</li> <li>• 75 per cent of available funds are allocated according to the three public transport demand factors. The three equally weighted demand factors are: <ul style="list-style-type: none"> <li>○ size of population</li> <li>○ size of economy</li> <li>○ number of public transport users</li> </ul> </li> <li>• 20 per cent of available funds are allocated through a base component shared equally between participating municipalities</li> <li>• 5 per cent of available funds are allocated as a performance incentive to operating municipalities based on the following three indicators (with a minimum threshold that will be revised upwards periodically): <ul style="list-style-type: none"> <li>○ coverage of costs from farebox: fare revenue as a percentage of direct operating costs, which indicates a commitment to reducing operational costs, and is a measure of efficiency. The minimum threshold is 35 per cent</li> <li>○ 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</li> <li>○ 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' commitment to the system. The minimum threshold is 2 per cent</li> </ul> </li> </ul>

<b>Public Transport Network Grant</b>	
	<ul style="list-style-type: none"> <li>• 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. This excludes expenditure on the development of planning of plans and detailed designs</li> <li>• 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</li> <li>• Allocations for the Network Operations Component are based on municipalities' Annual Operations Plans (to be submitted to DoT by 31 May 2024) which indicate the amount of the 2024/25 total allocation to be used within the rules of this component</li> <li>• 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"> <li>○ DoT approval of the annual operations plan</li> <li>○ the annual operations plan must be costed to meet specific operating targets per network phase to be achieved within the 2024/25 financial year to qualify for eligibility into the 2025/26 formula</li> <li>○ 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</li> <li>○ compensation for the economic rights of existing operators can be funded up to 100 per cent in each phase, however, any inflated compensation which is not supported by credible surveys and business valuation principles will not be funded from PTNG</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Infrastructure and operational costs associated with the implementation of the Public Transport Strategy and NLTA were not included in municipal budgets before the introduction of IPTN services</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R6 billion was allocated and the total allocation was respectively transferred to the municipalities, that are implementing IPTN projects</li> <li>• Of the transferred total allocation, a total of R4.3 billion or 72 per cent was spent</li> </ul> <p><b>2022/23 service delivery performance:</b></p> <ul style="list-style-type: none"> <li>• <b>Cape Town:</b> 31.5 kilometres of dedicated bus lanes were fully operational; all Phase 1A &amp; 1B depots were fully operational; 778 bus stops were operational and 686 were complete; a total of 2.4 kilometres of bi-directional dedicated IPTN busway was constructed as part of the fast-track Phase 2A contracts; annual revenue kilometres totalled 17.2 million; annual passenger trips amounted to 26.5 million; annual passenger journeys totalled 18.3 million; annual fare revenue amounted to R271 million</li> <li>• <b>Ekuhuleni:</b> Construction of trunk route Phase 1A between Thembisa main station (Station 7) and the R25 was completed; construction of trunk route area 7A between Wellington Street and Mars Street was completed; maintenance of the infrastructure was completed; annual revenue kilometres totalled 12.2 million; annual passenger trips amounted to 2.5 million; annual fare revenue amounted to R38 million</li> <li>• <b>eThekweni:</b> Corridor 1 (WP3) practical completion was achieved; construction of BRT lanes along Inanda Arterial between the N2/M21 interchange and Teakfield road additional 2.7km of dedicated BRT right of way (ROW) was available for operations; the 2.9 kilometres stretch of dedicated IPTN lanes on Corridor 9 (WP2A) along Arbedare Road, Phoenix Industrial Park Road and Phoenix Highway was completed and available for IPTN operations</li> <li>• <b>George:</b> Road rehabilitation including sidewalk for the following streets was completed; Market Street Phase 1-5, Tabata Street Phase 4A completed; Airway Street and Roundabout improvements completed; maintenance of 136 bus stops in Phase 4A Thembalethu and erection of 12 temporary shelters was completed; earthworks for three temporary operational facilities in Phase 4A was completed; annual revenue kilometres totalled 5 million; annual passenger trips amounted to 5.3 million; annual passenger journeys totalled 5.8 million; annual fare revenue amounted to R63.5 million</li> <li>• <b>Johannesburg:</b> 12 Rea Vaya stations modules were completed; construction of Selby Phase 2B at Rea Vaya depot was completed; Alexandra depot access road at 95 percent completion.; Alexandra lay-over depot completed; Watt Street interchange completed; Alexandra and Greenstone loop completed; annual revenue kilometres totalled 11.5 million; annual passenger trips amounted to 139 800; annual fare revenue amounted to R132.5 million</li> <li>• <b>Mangaung:</b> Phase 1 operational plan updated to include starter service framework, the temporary depot was at 100 percent completion; construction of bus stops and shelters on the Phase 1C were 100 percent complete; Moshoeshoe Part A and Part B were 100 percent complete; permanent depot civil and earth works were at 90 percent completion</li> <li>• <b>Nelson Mandela Bay:</b> Annual revenue kilometres totalled 1.2 million; annual passenger trips amounted to 1 million; annual fare revenue amounted to R7.6 million</li> <li>• <b>Polokwane:</b> The city implemented ABT-compliant system pilot phase successfully; 90 percent of Standard Operating Procedure was developed; all operational plans for the ITPS were updated; 0.8 kilometres of the trunk route increasing the dedicated bus route to 4.65 kilometres was completed, 17.03 kilometres of Non-Motorised Transport infrastructure was completed</li> <li>• <b>Rustenburg:</b> Phase 1A was operationalised; Yarona branded minibus taxis and transitional taxi services "Mop-Up" one temporary depot was 100 percent complete; signage and information displays in Phase 1A was 100 percent complete; one Transport Management Control centre was 100 percent completed; ITS in Phase 1A was 100 percent complete; farebox in Phase 1A was 100 percent completed; annual revenue kilometres totalled 1.3 million; annual passenger trips amounted to 818 thousand; annual fare revenue amounted to R6 million</li> </ul>



<b>Public Transport Network Grant</b>	
	<ul style="list-style-type: none"> <li>• <b>Tshwane:</b> Line 3 Pretoria CBD to Atteridgeville-Section 1 annual scope of detailed design was completed; Wonderboom Intermodal Facility building works was 100 percent complete with the construction works at 88 per cent completion; Denneboom depot detailed designs was 100 percent complete; annual revenue kilometres totalled 1.5 million; annual passenger trips amounted to 1.9 million; annual passenger journeys totalled 242 000; annual fare revenue amounted to R24.8 million</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R7.5 billion; 2025/26: R8.1 billion and 2026/27: R7.6 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with an agreed payment schedule approved by the National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Disburse PTNG funds and monitor PTNG expenditure</li> <li>• Monitor IPTN implementation progress and operating performance in line with the NLTA and the public transport strategy</li> <li>• Verify reports from municipalities by conducting at least one site visit per annum</li> <li>• Allocate funds based on stated priorities through an allocation mechanism agreed to by the DoT and National Treasury</li> <li>• Review and comment on draft compensation agreements for economic rights</li> <li>• Review and comment on the network model submitted by each municipality</li> <li>• Evaluate the performance of the grant annually</li> <li>• 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</li> <li>• Finalise the public transport subsidy policy for South Africa</li> <li>• Develop cost norms for ITS and include these in the annual PTNG guidelines and requirements circulated to municipalities by DoT</li> <li>• Submit copies of allocation letters and milestones to the National Treasury</li> <li>• Review the Public Transport Strategy to ensure its requirements enable municipalities to develop fiscally sustainable IPTN systems</li> <li>• 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 2024 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 the 2024 DoRA</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Ensure that projects are implemented in line with approved business plans and 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"> <li>○ network operational plans, including universal design access plans</li> <li>○ business and financial plans (including financial modelling, economic evaluation, and operator transition plans)</li> <li>○ institutional network management plans</li> <li>○ engineering and architectural preliminary and detailed designs</li> <li>○ public transport vehicle and technology plans</li> <li>○ marketing and communication plans</li> </ul> </li> <li>• Projects funded by this grant must promote the integration of the public transport networks in a municipality, through: <ul style="list-style-type: none"> <li>○ physical integration between different services within a single network</li> <li>○ fare integration between different services</li> <li>○ marketing integration with unified branding</li> <li>○ institutional integration between the services</li> <li>○ spatial integration, in conjunction with other grants directed at the built environment</li> </ul> </li> <li>• Provide budget proposals for the PTNG funding that: <ul style="list-style-type: none"> <li>○ are based on sound operational and financial plans that cover direct vehicle company operating costs from local sources at a minimum</li> <li>○ indicate the intended allocations between the network operations component and network infrastructure component</li> </ul> </li> <li>• 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</li> <li>• Compile and submit data that indicates the efficiency and effectiveness of operational services in the formats and use the indicators defined by the DoT</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• 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 31 July 2024. The plans should include plans for how all municipal owned bus services will be integrated into the 10-year IPTN programme</li> <li>• Suspended municipalities seeking readmission must submit their revised plans by 01 July 2024</li> <li>• 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 2025/26 financial year</li> <li>• Municipalities that fail to pass the eligibility and readmission criteria will be informed by 28 August 2024 and may be asked to resubmit plans</li> </ul>

<b>Rural Roads Asset Management Systems Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Transport (Vote 40)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• Ensure efficient and effective investment in municipal roads through development of road asset management systems (RAMS), collection and analysis of data</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved data on municipal roads to guide infrastructure maintenance and investments</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Road condition data (paved and unpaved) as per prescribed Technical Methods for Highways (TMH-series)</li> <li>• Traffic data</li> <li>• Data on condition of structures (including bridges and culverts) as per prescribed Technical Methods for Highways (TMH 19 series)</li> <li>• Borrow Pit Management data</li> <li>• Safety assessments data</li> <li>• Prioritised project list for roads to inform Municipal Infrastructure Grant project selection</li> <li>• Number of graduates recruited for data collection purposes</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant uses Road Asset Management Plans (RAMPs)/business plans which contain the following details: <ul style="list-style-type: none"> <li>○ network hierarchy</li> <li>○ performance management framework</li> <li>○ gap analysis</li> <li>○ information systems</li> <li>○ lifecycle planning</li> <li>○ current and future demand</li> <li>○ financial plan</li> <li>○ monitoring</li> <li>○ reviewing</li> <li>○ plans for continual improvements including sharing data with local municipalities</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Transfer of the first tranche is conditional on submission of a council approved business plan by 31 May 2024</li> <li>• 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</li> <li>• Road authorities must conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road inventory data</li> <li>• 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</li> <li>• For Road Infrastructure Strategic Framework for South Africa Class R1, R2 and R3 roads, data collection requirements are: <ul style="list-style-type: none"> <li>○ visual condition data not older than two years for pavements and five years for bridges</li> <li>○ instrumental pavement data for roughness, rut depth and macro texture not older than two years</li> <li>○ instrumental pavement data for structural strength not older than five years</li> <li>○ traffic data not older than three years</li> </ul> </li> <li>• For Road Infrastructure Strategic Framework for South Africa Class R4 and R5 roads, data requirements are: <ul style="list-style-type: none"> <li>○ visual condition data not older than three years for pavements and five years for bridges</li> <li>○ instrumental pavement data for roughness, rut depth and macro texture not older than four years on paved roads only</li> <li>○ traffic data not older than five years</li> </ul> </li> <li>• All road condition data collected must be submitted to the national DoT, and the relevant provincial roads authorities by 02 October 2024</li> <li>• District municipalities must participate in grant management structures, including attending monthly and/or quarterly Rural Roads Asset Management System (RRAMS) progress as well as national meetings</li> <li>• A maximum of 5 per cent of a municipality's allocation may be used to cover costs related to RRAMS coordination. This may include expenses incurred for facilitating meetings between districts and local municipalities, as well as attending RRAMS quarterly meetings with the national DoT</li> <li>• District municipalities must appoint an independent assessor to assess a representative sample of all roads assessed to confirm the correctness of the assessments made by the municipality</li> <li>• Graduates funded from this grant must attend a Spatial Intelligence Data Science Course</li> <li>• Municipalities may use a maximum of 3 per cent of their allocations for planning, using RAMS outputs as guidance in municipal road infrastructure management and submit a portfolio of evidence to the national DoT</li> <li>• This framework must be read in conjunction with the RRAMS practice note</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on the extent of road network and number of local municipalities within a district municipality</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This is a specific purpose grant for the provision of systems to collect data on traffic and conditions of municipal roads and structures</li> </ul>

<b>Rural Roads Asset Management Systems Grant</b>	
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• Of the R115 million allocated and transferred to municipalities, R104 million (90 per cent) was spent</li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 18 676 kilometres of paved road network and 65 073 kilometres of unpaved road network were assessed</li> <li>• 39 272 structures identified by the programme in the district municipalities receiving the grant</li> <li>• 232 graduates were recruited into the programme</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2024/25: R121 million; 2025/26: R126 million and 2026/27: R132 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with the payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Monitor the implementation of RAMS together with provincial road authorities</li> <li>• Undertake data integrity checks</li> <li>• Provide guidance on sustainable RAMS operations and standards</li> <li>• Facilitate interaction between local municipalities and district municipalities in using RRAMS outputs as guidance in municipal road infrastructure management</li> <li>• Manage, monitor and report on the programme</li> <li>• Ensure agreement on the RAMP with participating municipalities</li> <li>• Coordinate with the National Treasury to ensure that the capacity building activities of the two departments are complimentary</li> <li>• Ensure that municipal road authorities conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road inventory data</li> <li>• Support municipalities with planning and implementation of municipal roads projects in terms of the conditions, standards and specifications applicable to this sector</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Municipalities must make provision to maintain RAMS after the lifespan of the grant</li> <li>• Data for all rural roads to be updated within two years</li> <li>• Recruit unemployed youth graduates with a qualification in B. Eng. Tech or Advanced Diploma in the civil engineering environment for data collection purposes</li> <li>• Ensure human capacity at municipalities for the operation of RAMS is built</li> <li>• 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</li> <li>• Identify municipal officials that will be recipients of skills transfer and attend a Spatial Intelligence Data Science Course</li> <li>• Ensure that municipal officials participate actively in all activities funded through this grant</li> <li>• Ensure systems and practices developed through this grant are sustained as part of the operations of the municipality</li> <li>• Submit updated RAMS data in TMH 18 format by 31 May 2024</li> <li>• Submit a 10 per cent verification report of the road network assessed by 31 May 2024</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• District municipalities must submit a draft RAMP/business plan and accompanied by a completed TMH22 checklist to DoT by 31 May 2024</li> <li>• District municipalities must submit the final RAMP/business plan signed off by the accounting officer and accompanied by a completed TMH22 checklist by 31 July 2024</li> <li>• RAMP must contain the following: <ul style="list-style-type: none"> <li>○ the extent of the road network in the municipality</li> <li>○ the proportion of municipal roads with updated data captured on its RAMS</li> <li>○ the condition of the network in the municipality</li> <li>○ the maintenance and rehabilitation needs of the municipal road network</li> <li>○ the status of the municipality's RAMS</li> <li>○ status of institutionalisation of RAMS in the district municipality</li> </ul> </li> <li>• TMH 22 RAMP guideline can be used as template</li> </ul>

## WATER AND SANITATION GRANTS

<b>Regional Bulk Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Water and Sanitation (Vote 41)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B and Schedule 6, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>Facilitate achievement of targets for access to bulk water and sanitation through successful execution and implementation of bulk projects of regional significance</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>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</li> <li>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</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Access to water supply enabled through regional bulk infrastructure</li> <li>Proper wastewater management and disposal enabled through regional wastewater infrastructure</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of regional bulk water and sanitation projects phases under construction</li> <li>Number of projects/project phases completed</li> <li>Number of households targeted to benefit from bulk water and sanitation supply</li> <li>Number of municipalities benefitting from bulk water and sanitation projects</li> <li>Number of job opportunities created through implementation of bulk infrastructure projects</li> <li>Number of households provided with water and sanitation through local source development</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses approved implementation readiness studies (IRS) which include the following: <ul style="list-style-type: none"> <li>inception/scoping report</li> <li>technical feasibility report</li> <li>preliminary designs and cost estimates</li> </ul> </li> <li>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</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>The Regional Bulk Infrastructure Grant (RBIG) is intended to fund the social component of regional bulk water and sanitation projects approved by the Department of Water and Sanitation (DWS), unless exemptions based on affordability are recommended by DWS and approved by National Treasury</li> <li>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</li> <li>All sources of funding for the full cost of the project must be outlined in the IRS and the MoU</li> <li>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)</li> <li>Funds may only be used for disaster interventions based on a business plan approved by DWS</li> <li>Feasibilities studies must consider the results of the green drop, blue drop and no drop assessments in prioritising projects</li> <li>An amount of R1.3 billion in 2024/25 is allocated to the municipalities outlined below, through the Budget Facility for Infrastructure (BFI) and may only be used for the respective purposes of the projects approved: <ul style="list-style-type: none"> <li>R492 million for Sol Plaatje Local Municipality for the implementation of the Integrated Bulk Supply System Intervention project</li> <li>R593 million for Drakenstein Local Municipality for the implementation of the Sanitation Infrastructure project</li> <li>R250 million for Nelson Mandela Bay Metropolitan Municipality for the implementation of the Water Security Programme - Part A</li> </ul> </li> <li>Should there be cost variations of more than 10 per cent on BFI funded project, the relevant municipality is required to inform the National Treasury and the transferring officer within 30 days of confirming the cost variations</li> <li>If groundwater is going to be used as a source, the implementation of the project should be done according to the Standard Operating Procedures (SOP) for groundwater resource development for community water supply projects</li> </ul> <p><b>Schedule 5, Part B allocations</b></p> <ul style="list-style-type: none"> <li>Municipalities must spend grant funds in line with the IRS and detailed designs approved by DWS</li> <li>Municipalities must spend at least 25 per cent of their first transfer and comply with the reporting provisions before the second transfers are made</li> <li>Municipalities must spend at least 50 per cent of their total RBIG allocations transferred and comply with the reporting provisions before the third transfer is made</li> <li>Grant funds must be reflected in the capital budget of the municipality</li> <li>All sources of funding for the cost of the project must be clearly outlined in the approved IRS and/or conditional assessment of refurbishment of existing infrastructure</li> </ul>

<b>Regional Bulk Infrastructure Grant</b>	
	<p><b>Schedule 6, Part B allocations</b></p> <ul style="list-style-type: none"> <li>• This grant can be used to build enabling infrastructure required to connect or protect water resources over significant distances with bulk and reticulation systems</li> <li>• The IRS and MoU must be approved by DWS</li> <li>• All projects must be implemented and transferred in line with the approved IRS and detailed designs</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• 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"> <li>○ demand and availability of water</li> <li>○ the overall infrastructure needs</li> <li>○ the strategic nature of the project</li> <li>○ socio-economic importance of an area</li> <li>○ impact of the project</li> </ul> </li> <li>• This grant is only allocated to Water Services Authorities (local and district municipalities)</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Regional bulk projects are closely linked to water resource planning and development, which is a DWS competency</li> <li>• Projects may cross municipal boundaries</li> </ul>
<b>Past performance</b>	<p><b>2022/23 audited financial outcome</b></p> <ul style="list-style-type: none"> <li>• <b>Direct transfers (Schedule 5, Part B)</b> <ul style="list-style-type: none"> <li>○ Of the revised allocation of R2.6 billion allocated and transferred to municipalities, R2.1 billion (81 per cent) was spent</li> </ul> </li> <li>• <b>Allocations-in-kind (Schedule 6, Part B)</b> <ul style="list-style-type: none"> <li>○ Of the revised budget allocation of R3.4 billion, R2.1 billion (62 per cent) was spent</li> </ul> </li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Nine (9) projects and phases were completed: (1) Nongoma BWS; (2) Balfour - Siyathemba Phase 5; (3) CHDM Cluster 6 Phase 4 of 6 (Gqaga rising main West); (4) Matatiele BWS; (5) Vaal Gamagara bulk pipeline Phase 1 of 2; (6) Rooikoppen/Sakhile Bulk Outfall Sewer phase 2 of 2; (7) Tulbagh BWS Phase 12 of 13; (8) COVID - Matjhabeng Sust Wat Supply; and (9) Nooitgedagt - Coega Low Level Scheme,</li> <li>• 108 project phases were under construction</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• This grant continues until 2026/27, subject to review</li> </ul>
<b>MTEF allocations</b>	<p><b>Direct transfers (Schedule 5, Part B):</b></p> <ul style="list-style-type: none"> <li>• 2024/25: R3.9 billion; 2025/26: R3.8 billion and 2026/27: R3 billion</li> </ul> <p><b>Allocations-in-kind (Schedule 6, Part B):</b></p> <ul style="list-style-type: none"> <li>• 2024/25: R3.1 billion; 2025/26: R3.2 billion and 2026/27: R3.2 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers for Schedule 5, Part B allocations are made in terms of a payment schedule approved by National Treasury</li> <li>• Payments for Schedule 6, Part B allocations are made after verification of work performed</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Ensure every municipality benefiting from a specific project or scheme is invited to participate in the feasibility study and IRS processes</li> <li>• 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</li> <li>• If required, ensure the necessary authorisations including environmental impact assessment and water use licences are obtained</li> <li>• Ensure that the land assessment is done prior to project implementation</li> <li>• Provide detailed information on the selection criteria and conditions for the grant (RBIG Programme Implementation Framework)</li> <li>• Ensure that suitable agreements in terms of operation and maintenance are in place</li> <li>• Issue project funding approval letters to benefiting municipalities</li> <li>• Ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates</li> <li>• Upon receipt of invoices from DWS's contracted implementing agents for Schedule 6, Part B projects, verify work done before making payments</li> <li>• Actively monitor the Nelson Mandela Metropolitan Municipality drought relief programme in accordance implementation plan</li> <li>• Ensure implementation of groundwater development projects comply to the groundwater SOP development document</li> </ul> <p><b>Responsibilities of water services authorities</b></p> <ul style="list-style-type: none"> <li>• Ensure that projects are appropriately linked to the municipality's IDP and WSDP and projects funded through the MIG and WSIG</li> <li>• 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</li> <li>• Ensure integration of planning, funding, timing and implementation of bulk and reticulation projects</li> <li>• Ensure provision of reticulation services and/or reticulation infrastructure to connect to the bulk infrastructure funded through this grant</li> </ul>

<b>Regional Bulk Infrastructure Grant</b>	
	<ul style="list-style-type: none"> <li>• Municipalities to promote the inclusion of adopted innovative solution(s) in water and sanitation infrastructure project(s) development and management</li> <li>• Ensure that business plans of projects where groundwater is being used as a source comply to the requirements stipulated in the Groundwater Development SOP of DWS</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• All proposed projects which comply with the RBIG criteria must be registered and listed in DWS's bulk master plans</li> <li>• 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</li> <li>• Pre-feasibility studies must assess potential for WC/WDM interventions</li> <li>• IRS and feasibility studies will be evaluated and approved by the transferring officer</li> <li>• 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</li> <li>• Projects requiring co-funding exemptions to be submitted to DWS by 31 July 2024 and DWS to make recommendations to the National Treasury by 02 September 2024</li> </ul>

<b>Water Services Infrastructure Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Water and Sanitation (Vote 41)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part B and Schedule 6, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• To provide water and sanitation services and reduce backlogs</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• Provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development</li> <li>• Support municipalities in implementing water conservation and water demand management (WC/WDM) projects</li> <li>• Support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas</li> <li>• Support drought relief projects in affected municipalities</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• An increased number of households with access to reliable, safe drinking water and sanitation services</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of households provided with water and sanitation through: <ul style="list-style-type: none"> <li>○ reticulated water supply</li> <li>○ on site sanitation</li> <li>○ bucket systems replaced with appropriate sanitation facilities for households identified by the Department of Water and Sanitation (DWS) in the 2015/16 verification process</li> <li>○ source identification</li> <li>○ water conservation/water demand management provision</li> </ul> </li> <li>• Number of Water Services Infrastructure Grant (WSIG) projects under construction</li> <li>• Number of WSIG projects completed</li> <li>• Number of job opportunities created through implementation of water and sanitation projects</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Project overview</li> <li>• Project costing</li> <li>• Project milestones</li> <li>• Impact declaration</li> <li>• 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</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• 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</li> <li>• Municipalities must demonstrate in their business plans how they plan to manage, operate and maintain the infrastructure over the long term</li> <li>• The maximum cost for a WSIG project is R120 million and implementation should not be longer than three years</li> <li>• Projects must be aligned to bulk infrastructure and must be at the scheme level</li> <li>• Business plans must consider the results of the green drop, blue drop, and no drop assessments in prioritising projects</li> <li>• If groundwater are going to be used as a source for any specific project, the implementation of the project should be done according to the Standard Operating Procedures (SOP) for groundwater resource development for community water supply projects</li> </ul> <p><b>Schedule 5, Part B allocations</b></p> <ul style="list-style-type: none"> <li>• Municipalities must submit business plans signed-off by their Accounting Officer in line with their Water Services Development Plans (WSDPs) aligned to Integrated Development Plans (IDPs)</li> <li>• DWS must approve the business plans before projects can be implemented</li> <li>• Municipalities must only spend funds in line with approved business plans</li> <li>• Municipalities must spend at least 25 per cent of their first transfer and comply with the reporting provisions before the second transfers are made</li> <li>• Municipalities must spend at least 50 per cent of their total WSIG allocations transferred and comply with the reporting provisions before the third transfer is made</li> <li>• Municipalities must submit monthly financial and quarterly non-financial reports to DWS</li> <li>• Funds must be reflected in the capital budget of the municipality</li> <li>• Grant funds must not be spent on operations and maintenance</li> <li>• The Project Management Unit funded through the Municipal Infrastructure Grant should be utilised to manage the implementation of projects funded through this grant</li> <li>• Funds may only be used for disaster relief interventions based on a plan approved by DWS</li> <li>• 5 per cent of the total project cost may be used for planning for the specific project</li> </ul> <p><b>Schedule 6, Part B allocations</b></p> <ul style="list-style-type: none"> <li>• DWS must enter into an MoU with the relevant municipality before any project is implemented</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are based on the number of households with water and sanitation backlogs, prioritising the 27 priority district municipalities identified by government</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• The grant is earmarked for specific projects aimed at providing access to basic water and sanitation services</li> </ul>

<b>Water Services Infrastructure Grant</b>	
<b>Past performance</b>	<p><b>2022/23 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• <b>Direct transfers (Schedule 5, Part B)</b> <ul style="list-style-type: none"> <li>○ Of the revised allocation of R3.7 billion allocated and transferred to municipalities, R3.1 billion (84 per cent) was spent</li> </ul> </li> <li>• <b>Allocations-in-kind (Schedule 6, Part B):</b> <ul style="list-style-type: none"> <li>○ Of the revised allocation of R771 million, R353 million (46 per cent) was spent</li> </ul> </li> </ul> <p><b>2022/23 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• 603 households served</li> <li>• 750 jobs created</li> </ul>
<b>Projected life</b>	This grant continues until 2026/27, subject to review
<b>MTEF allocations</b>	<p><b>Direct transfers (Schedule 5, Part B):</b></p> <ul style="list-style-type: none"> <li>• 2024/25: R4 billion; 2025/26: R4.2 billion and 2026/27: R4.4 billion</li> </ul> <p><b>Allocations-in-kind (Schedule 6, Part B):</b></p> <ul style="list-style-type: none"> <li>• 2024/25: R1 billion; 2025/26: R1.1 billion and 2026/27: R1.3 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• For Schedule 5, Part B, transfers are made in accordance with a payment schedule approved by National Treasury</li> <li>• For Schedule 6, Part B, payments are made to contracted implementing agents (including water boards and private service providers) after verification of work performed</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Evaluate and approve the business plans for each project before funds can be transferred</li> <li>• Ensure that the conditions of the grant and approved business plans are adhered to</li> <li>• Ensure that the results of the green drop, blue drop and no drop assessments are considered in the planning and prioritisation of projects</li> <li>• For schedule 6B allocations, ensure that implementing agents submit monthly financial and quarterly non-financial reports</li> <li>• Ensure alignment of WSIG projects with projects approved in the MIG implementation plans</li> <li>• In cases where DWS appoints a contractor, the contract between DWS and the appointed contractor must be signed before the project can commence</li> <li>• All drought-related plans and expenditure must be shared with the National Disaster Management Centre</li> <li>• Submit a water services capacity building plan for municipalities to National Treasury by 26 June 2024</li> <li>• Ensure implementation of groundwater development projects comply to the groundwater SOP development document</li> </ul> <p><b>Responsibilities of water services authorities</b></p> <ul style="list-style-type: none"> <li>• Compile and submit signed-off business plans for each project (for the relevant financial year)</li> <li>• Sustainably operate and maintain funded water and sanitation projects over their lifetime</li> <li>• Ensure integrated planning for all projects funded through the different grants and programmes</li> <li>• Municipalities must submit a technical report for each project to the regional office</li> <li>• Ensure adequate participation and involvement of the public in each project</li> <li>• Ensure that, if available, the results of the green drop, blue drop and no drop assessments are considered in the planning and prioritisation of projects</li> <li>• Manage project implementation in line with the business plan</li> <li>• Submit monthly, quarterly and annual progress reports in the format prescribed by DWS</li> <li>• Comply with all the funding conditions agreed to in the business plan and MoU</li> <li>• Municipalities to promote the inclusion of adopted innovative solution(s) in water and sanitation infrastructure project(s) development and management</li> <li>• Ensure that business plans of projects where groundwater is being used as a source comply to the requirements stipulated in the Groundwater Development SOP</li> </ul>
<b>Process for approval of 2025/26 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities must submit a technical report for each project to the regional office by 1 July 2024</li> <li>• Regional offices must assess and approve technical reports by 15 August 2024</li> <li>• Municipalities must prepare business plans based on the approved technical reports</li> <li>• Business plans for allocations: <ul style="list-style-type: none"> <li>○ business plans must be submitted by 30 October 2024</li> <li>○ business plans must be approved by 31 January 2025</li> </ul> </li> <li>• Municipalities must submit implementation plans by 27 May 2025</li> </ul>



**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 <sup>1</sup>	
		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	
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>EASTERN CAPE</b>											
A	BUF Buffalo City	11 000	11 000	1 000	1 000	1 200	1 200	2 314	3 480	29 314	32 000
A	NMA Nelson Mandela Bay	13 800	13 800	1 000	1 000	1 200	1 200	-	-	33 280	34 800
B	EC101 Dr Beyers Naude	-	-	3 000	3 000	3 000	3 000	-	-	4 359	3 000
B	EC102 Blue Crane Route	-	-	2 400	2 400	2 400	2 400	-	-	3 680	2 400
B	EC104 Matlana	-	-	3 800	3 800	4 000	4 000	-	-	5 022	3 800
B	EC105 Ndabane	-	-	2 500	2 500	2 700	2 700	-	-	3 817	2 500
B	EC106 Sundays River Valley	-	-	3 800	3 800	3 800	3 800	-	-	5 032	3 800
B	EC108 Kaniem	-	-	1 723	1 785	2 001	1 495	-	-	3 218	1 785
B	EC109 Kou-Kamma	-	-	2 600	2 600	2 600	2 600	-	-	3 858	2 600
C	DC10 Sarah Baerman District Municipality	-	-	1 000	1 000	1 200	1 200	-	-	2 200	1 000
<b>Total: Sarah Baerman Municipalities</b>		-	-	<b>20 823</b>	<b>20 885</b>	<b>21 901</b>	<b>21 901</b>	<b>10 343</b>	-	<b>31 166</b>	<b>20 885</b>
B	EC121 Mbashe	-	-	1 700	1 700	2 100	2 100	-	-	3 689	1 700
B	EC122 Mquma	-	-	1 900	1 900	2 200	2 200	-	-	3 510	1 900
B	EC123 Great Kei	-	-	2 400	2 400	2 600	2 600	-	-	3 607	2 400
B	EC124 Amahlathi	-	-	2 200	2 200	2 400	2 400	-	-	3 411	2 200
B	EC126 Ngqushwa	-	-	3 000	3 000	3 000	3 000	-	-	4 448	3 000
B	EC129 Resound Mbashe	-	-	2 800	2 800	2 900	2 900	-	-	5 783	2 800
C	DC12 Amathole District Municipality	-	-	2 600	2 600	2 700	2 700	-	-	4 478	2 600
<b>Total: Amathole Municipalities</b>		-	-	<b>16 600</b>	<b>16 600</b>	<b>17 900</b>	<b>17 900</b>	<b>12 326</b>	-	<b>28 926</b>	<b>16 600</b>
B	EC131 Invutha Yehombha	-	-	3 000	3 000	3 000	3 000	-	-	4 454	3 000
B	EC135 Intsika Yethu	-	-	2 100	2 100	2 300	2 300	-	-	4 014	2 100
B	EC136 Enthalaleni	-	-	3 000	3 000	3 000	3 000	-	-	4 756	3 000
B	EC137 Dr. A.B. Xuma	-	-	1 700	1 800	2 100	1 800	-	-	3 492	1 800
B	EC138 Sakisizwe	-	-	3 000	3 000	3 000	3 000	-	-	4 423	3 000
B	EC139 Enoch Mgijima	-	-	3 000	3 000	3 000	3 000	-	-	5 503	3 000
C	DC13 Chris Hani District Municipality	-	-	2 300	2 300	2 500	2 500	-	-	4 418	2 300
<b>Total: Chris Hani Municipalities</b>		-	-	<b>18 100</b>	<b>18 200</b>	<b>18 900</b>	<b>18 900</b>	<b>12 960</b>	-	<b>31 060</b>	<b>18 200</b>
B	EC141 Elandini	-	-	1 700	1 800	2 000	2 000	-	-	3 814	1 800
B	EC142 Senqu	-	-	1 700	1 800	2 000	2 000	-	-	3 520	1 800
B	EC145 Walter Sisulu	-	-	2 200	2 200	2 400	2 400	-	-	3 509	2 200
C	DC14 Joe Gqibh District Municipality	-	-	1 500	1 500	1 800	1 800	-	-	3 596	1 500
<b>Total: Joe Gqibh Municipalities</b>		-	-	<b>7 100</b>	<b>7 300</b>	<b>8 200</b>	<b>8 200</b>	<b>6 879</b>	-	<b>13 279</b>	<b>7 300</b>
B	EC153 Ngquzu Hill	-	-	3 000	3 000	3 000	3 000	-	-	4 593	3 000
B	EC154 Port St Johns	-	-	2 600	2 600	2 700	2 700	-	-	4 276	2 600
B	EC155 Nyandeni	-	-	1 600	1 700	2 000	1 661	-	-	3 261	1 700
B	EC156 Mhloni	-	-	2 300	2 300	2 500	1 966	-	-	4 266	2 300
B	EC157 King Sabata Dalindyebo	6 000	6 000	2 800	2 800	3 000	3 268	-	-	12 068	8 800
C	DC15 O.R. Tambo District Municipality	-	-	2 000	2 000	2 200	3 846	-	-	5 846	2 000
<b>Total: O.R. Tambo Municipalities</b>		<b>6 000</b>	<b>6 000</b>	<b>14 300</b>	<b>14 400</b>	<b>15 400</b>	<b>14 010</b>	-	-	<b>34 310</b>	<b>20 400</b>
B	EC441 Matielde	-	-	1 700	1 800	2 000	2 000	-	-	5 580	1 800
B	EC442 Umzimvubu	-	-	1 700	1 800	2 000	2 000	-	-	4 556	1 800
B	EC443 Winnie Madikizela-Mandela	-	-	2 100	2 100	2 300	2 981	-	-	5 081	2 100
B	EC444 Ntabankulu	-	-	2 600	2 700	2 900	2 675	-	-	5 275	2 700
C	DC24 Alfred Nzo District Municipality	6 500	6 500	10 000	10 000	11 400	15 795	-	-	32 003	16 900
<b>Total: Alfred Nzo Municipalities</b>		<b>6 500</b>	<b>6 500</b>	<b>10 000</b>	<b>10 000</b>	<b>11 400</b>	<b>15 795</b>	-	-	<b>42 295</b>	<b>16 900</b>
<b>Total: Eastern Cape Municipalities</b>		<b>37 300</b>	<b>37 300</b>	<b>88 923</b>	<b>89 785</b>	<b>96 301</b>	<b>78 107</b>	-	<b>30 000</b>	<b>234 330</b>	<b>167 085</b>
<b>Total: Eastern Cape Municipalities</b>		<b>37 300</b>	<b>37 300</b>	<b>88 923</b>	<b>89 785</b>	<b>96 301</b>	<b>78 107</b>	-	<b>30 000</b>	<b>234 330</b>	<b>167 085</b>

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

Category	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 <sup>1</sup>	
	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>FREE STATE</b>										
A MAN Mangaung	-	-	2 000	2 000	2 200	-	10 000	15 000	13 839	14 200
B FS161 Letseng	-	-	3 000	3 000	3 000	-	-	4 200	4 200	3 000
B FS162 Kopanong	-	-	2 300	2 300	2 500	-	-	3 500	3 500	2 500
B FS163 Mookhele	-	-	3 000	3 000	3 000	-	-	4 217	3 000	3 000
C DC16 Xharanga District Municipality	-	-	1 700	1 800	2 000	-	-	2 941	1 800	2 000
<b>Total: Xharanga Municipalities</b>	-	-	<b>10 000</b>	<b>10 100</b>	<b>10 500</b>	-	-	<b>14 858</b>	<b>10 100</b>	<b>10 500</b>
B FS181 Maitsoyana	-	-	2 600	2 600	2 700	-	-	3 800	2 600	2 700
B FS182 Tlokogeta	-	-	3 000	3 000	3 000	-	-	4 200	3 000	3 000
B FS183 Tswelopele	-	-	2 100	2 100	2 300	-	-	3 453	2 100	2 300
B FS184 Mafjhabeng	-	-	3 000	3 000	3 000	-	-	4 460	3 000	3 000
B FS185 Nala	-	-	3 000	3 000	3 000	-	-	4 200	3 000	3 000
C DC18 Lepellekpaapane District Municipality	-	-	1 000	1 000	1 200	-	-	2 322	1 000	1 200
<b>Total: Lepellekpaapane Municipalities</b>	-	-	<b>14 700</b>	<b>14 700</b>	<b>15 200</b>	-	-	<b>22 417</b>	<b>14 700</b>	<b>15 200</b>
B FS191 Secoto	-	-	2 000	2 000	2 200	-	-	3 394	2 000	2 200
B FS192 Dhlahlabeng	-	-	2 700	2 700	2 800	-	-	4 352	2 700	2 800
B FS193 Nketsana	-	-	2 800	2 800	2 900	-	-	4 000	2 800	2 900
B FS194 Matutse-Phofung	-	-	3 000	3 000	3 000	-	-	4 219	3 000	3 000
B FS195 Phuzilela	-	-	3 000	3 000	3 000	-	-	4 234	3 000	3 000
B FS196 Mantsopa	-	-	3 000	3 000	3 000	-	-	4 279	3 000	3 000
C DC19 Thabo Mofutsosnyana District Municipality	-	-	1 800	1 800	1 900	-	-	2 413	2 300	2 500
<b>Total: Thabo Mofutsosnyana Municipalities</b>	-	-	<b>18 800</b>	<b>18 800</b>	<b>19 400</b>	-	-	<b>31 591</b>	<b>18 800</b>	<b>19 400</b>
B FS201 Mophaka	-	-	2 300	2 300	2 500	-	-	3 599	2 300	2 500
B FS203 Ngwenile	-	-	3 000	3 000	3 000	-	-	4 480	3 000	3 000
B FS204 Mentsabalo	-	-	2 700	2 700	2 800	-	-	3 900	2 700	2 800
B FS205 Matibe	-	-	3 000	3 000	3 000	-	-	4 200	3 000	3 000
C DC20 Fezile Dabi District Municipality	-	-	1 300	1 400	1 600	-	-	2 501	1 400	1 600
<b>Total: Fezile Dabi Municipalities</b>	-	-	<b>12 300</b>	<b>12 400</b>	<b>12 900</b>	-	-	<b>18 679</b>	<b>12 400</b>	<b>12 900</b>
<b>Total: Free State Municipalities</b>	-	-	<b>57 800</b>	<b>58 000</b>	<b>60 200</b>	-	<b>10 000</b>	<b>13 000</b>	<b>101 384</b>	<b>72 200</b>
<b>GAUTENG</b>										
A ECU City of Ekurhuleni	-	-	1 000	1 000	1 200	-	-	9 920	123 046	100 432
A JHB City of Johannesburg	6 000	7 000	1 000	1 000	1 200	-	112 126	51 201	48 000	51 259
A TSH City of Tshwane	-	-	2 000	2 000	2 200	-	84 480	86 352	104 948	86 352
B GT421 Emidleni	-	-	2 000	2 000	2 200	-	-	5 869	2 000	2 200
B GT422 Midvaal	-	-	1 800	2 000	2 200	-	-	3 419	2 000	2 200
B GT423 Lesethi	-	-	1 900	2 000	2 200	-	-	3 114	2 000	2 200
C DC32 Sedibeng District Municipality	-	-	1 400	1 500	1 700	-	-	2 622	1 500	1 700
<b>Total: Sedibeng Municipalities</b>	-	-	<b>7 100</b>	<b>7 500</b>	<b>8 300</b>	-	-	<b>15 024</b>	<b>7 500</b>	<b>8 300</b>
B GT481 Mogale City	-	-	1 800	1 900	2 100	-	-	4 301	1 900	2 100
B GT484 Marburg City	-	-	2 800	2 800	2 900	-	-	4 032	2 800	2 900
B GT485 Rand West City	-	-	2 300	2 300	2 200	-	-	4 028	2 300	2 200
C DC28 West Rand District Municipality	-	-	1 200	1 300	1 300	-	-	2 450	1 300	1 500
<b>Total: West Rand Municipalities</b>	-	-	<b>8 100</b>	<b>8 300</b>	<b>8 700</b>	-	-	<b>14 811</b>	<b>8 300</b>	<b>8 700</b>
<b>Total: Gauteng Municipalities</b>	<b>6 000</b>	<b>7 000</b>	<b>19 200</b>	<b>19 800</b>	<b>21 600</b>	-	<b>225 840</b>	<b>223 784</b>	<b>309 030</b>	<b>257 288</b>

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 Intergovernmental Grant for Municipalities		Programme and Project Preparation Support Grant		SUI-TOTAL - CURRENT*			
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)		
<b>KWAZULU-NATAL</b>													
A	ETH eThekweni	25 500	30 000	33 000	1 000	1 000	1 200	1 200	18 790	-	85 290	73 000	78 200
B	KZN212 uMdloti	-	-	-	1 900	2 000	2 200	2 200	1 249	-	3 149	2 000	2 200
B	KZN213 uMhlabisa	-	-	-	1 800	1 900	2 000	2 000	1 497	-	3 297	1 900	2 100
B	KZN214 uMzimba	-	-	-	1 900	2 000	2 200	2 200	3 255	-	5 155	2 000	2 200
B	KZN216 Ray Nkomo	-	-	-	1 900	2 000	2 200	2 200	2 864	-	4 764	2 000	2 200
C	DC21 Ugu District Municipality	-	-	-	9 300	9 800	10 900	10 900	10 265	-	19 565	9 800	10 900
<b>Total: Lgu Municipalities</b>		-	-	-	17 100	17 500	18 500	18 500	32 540	-	50 040	17 500	18 500
B	KZN221 uMshwathi	-	-	-	1 900	2 000	2 200	2 200	1 760	-	3 660	2 000	2 200
B	KZN222 uMgungulu	-	-	-	1 800	1 900	2 000	2 000	1 338	-	3 138	1 900	2 100
B	KZN223 uMzimba	-	-	-	2 400	2 500	2 600	2 600	1 645	-	4 045	2 500	2 600
B	KZN224 uMshingaane	-	-	-	1 900	2 000	2 200	2 200	2 092	-	3 992	2 000	2 200
B	KZN226 uMhlabisa	-	-	-	1 900	2 000	2 200	2 200	1 541	-	3 441	2 000	2 200
B	KZN227 uMshingaane	-	-	-	1 900	2 000	2 200	2 200	1 410	-	3 310	2 000	2 200
C	DC22 uMgungulu District Municipality	-	-	-	1 200	1 200	1 200	1 200	1 889	-	3 089	1 200	1 200
<b>Total: uMgungulu District Municipality</b>		-	-	-	11 100	11 300	12 100	12 100	24 677	-	44 677	11 300	12 100
B	KZN235 uMshingaane	4 000	5 500	6 000	3 500	3 500	3 500	3 500	1 807	-	5 307	3 500	3 500
B	KZN237 uMshingaane	-	-	-	2 000	2 000	2 200	2 200	2 471	-	4 471	2 000	2 200
C	DC23 uMshingaane District Municipality	-	-	-	2 000	2 000	2 200	2 200	1 685	-	3 685	2 000	2 200
<b>Total: uMshingaane District Municipality</b>		-	-	-	9 300	9 400	10 000	10 000	8 620	-	21 920	9 400	10 000
B	KZN241 uMshingaane	-	-	-	2 000	2 000	2 200	2 200	1 561	-	3 561	2 000	2 200
B	KZN242 uMshingaane	-	-	-	1 800	1 900	2 000	2 000	1 478	-	3 278	1 900	2 100
B	KZN244 uMshingaane	-	-	-	1 900	2 000	2 200	2 200	1 715	-	3 615	2 000	2 200
B	KZN246 uMshingaane	-	-	-	2 500	2 500	2 700	2 700	1 615	-	4 115	2 500	2 700
C	DC24 uMshingaane District Municipality	-	-	-	3 100	3 000	3 100	3 100	5 349	-	8 349	3 000	3 100
<b>Total: uMshingaane District Municipality</b>		-	-	-	11 100	11 300	12 100	12 100	13 790	-	24 890	11 300	12 100
B	KZN252 Newcastle	-	-	-	1 800	1 900	2 000	2 000	1 896	-	3 696	1 900	2 100
B	KZN253 eMvelo	-	-	-	3 000	3 000	3 000	3 000	1 331	-	4 331	3 000	3 000
B	KZN254 uMshingaane	-	-	-	1 900	2 000	2 200	2 200	1 770	-	3 670	2 000	2 200
C	DC25 uMshingaane District Municipality	-	-	-	3 800	3 800	3 800	3 800	1 551	-	5 351	3 800	3 800
<b>Total: uMshingaane District Municipality</b>		-	-	-	10 500	10 700	11 100	11 100	6 548	-	17 048	10 700	11 100
B	KZN261 eMvelo	-	-	-	3 000	3 000	3 000	3 000	1 482	-	4 482	3 000	3 000
B	KZN262 eMvelo	-	-	-	3 000	3 000	3 000	3 000	1 990	-	4 990	3 000	3 000
B	KZN263 uMshingaane	-	-	-	3 000	3 000	3 000	3 000	2 793	-	4 793	3 000	3 000
B	KZN266 uMshingaane	-	-	-	2 500	2 500	2 500	2 500	2 120	-	4 620	2 500	2 500
C	DC27 uMshingaane District Municipality	-	-	-	1 200	1 300	1 500	1 500	5 237	-	6 437	1 300	1 500
<b>Total: uMshingaane District Municipality</b>		-	-	-	14 200	14 300	14 900	14 900	15 219	-	29 419	14 300	14 900
B	KZN271 uMshingaane	-	-	-	1 800	1 900	2 000	2 000	2 452	-	4 252	1 900	2 200
B	KZN272 uMshingaane	-	-	-	3 000	3 000	3 000	3 000	3 674	-	6 674	3 000	3 000
B	KZN275 uMshingaane	-	-	-	1 900	2 000	2 200	2 200	2 226	-	4 126	2 000	2 200
B	KZN276 uMshingaane	-	-	-	2 700	2 700	2 800	2 800	1 989	-	4 689	2 700	2 800
C	DC27 uMshingaane District Municipality	-	-	-	3 500	3 500	3 500	3 500	4 270	-	7 770	3 500	3 500
<b>Total: uMshingaane District Municipality</b>		-	-	-	12 900	13 100	13 900	13 900	14 521	-	27 421	13 100	13 900
B	KZN281 uMshingaane	-	-	-	1 800	1 900	2 000	2 000	2 089	-	3 889	1 900	2 000
B	KZN282 uMshingaane	-	-	-	2 500	2 500	2 600	2 600	2 674	-	5 174	2 500	2 600
B	KZN284 uMshingaane	-	-	-	1 800	1 900	2 000	2 000	2 787	-	4 587	1 900	2 000
B	KZN285 uMshingaane	-	-	-	2 800	2 800	2 800	2 800	2 243	-	5 043	2 800	2 800
B	KZN286 uMshingaane	-	-	-	2 600	2 600	2 600	2 600	2 477	-	5 077	2 600	2 600
C	DC28 uMshingaane District Municipality	-	-	-	1 200	1 300	1 400	1 400	4 600	-	5 200	1 300	1 400
<b>Total: uMshingaane District Municipality</b>		-	-	-	12 700	13 000	13 400	13 400	16 220	-	29 020	13 000	13 400
B	KZN291 uMshingaane	-	-	-	1 800	1 900	2 000	2 000	1 815	-	3 615	1 900	2 000
B	KZN292 uMshingaane	-	-	-	1 800	1 900	2 000	2 000	1 889	-	3 689	1 900	2 000
B	KZN293 uMshingaane	-	-	-	3 000	3 000	3 000	3 000	2 087	-	5 087	3 000	3 000
B	KZN294 uMshingaane	-	-	-	1 800	1 900	2 000	2 000	1 536	-	3 336	1 900	2 000
C	DC29 uMshingaane District Municipality	-	-	-	9 400	9 800	10 200	10 200	10 678	-	19 678	9 800	10 200
<b>Total: uMshingaane District Municipality</b>		-	-	-	9 400	9 800	10 200	10 200	10 678	-	19 678	9 800	10 200
B	KZN333 Greater KwaZulu	-	-	-	1 800	1 900	2 000	2 000	1 687	-	3 487	1 900	2 000
B	KZN344 uMshingaane	-	-	-	1 900	2 000	2 100	2 100	1 620	-	3 520	2 000	2 100
B	KZN345 uMshingaane	-	-	-	1 800	1 900	2 000	2 000	2 471	-	4 271	1 900	2 000
B	KZN346 uMshingaane	-	-	-	1 900	2 000	2 100	2 100	1 832	-	3 732	2 000	2 100
C	DC34 uMshingaane District Municipality	-	-	-	1 200	1 300	1 400	1 400	4 460	-	5 660	1 300	1 400
<b>Total: uMshingaane District Municipality</b>		-	-	-	8 600	9 100	9 600	9 600	12 640	-	20 640	9 100	9 600
<b>Total: KwaZulu-Natal Municipalities</b>		29 500	35 500	39 000	116 100	119 000	125 600	125 600	139 141	-	324 741	196 500	208 600

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 <sup>1</sup>		
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	
<b>LIMPOPO</b>												
B	LIM331 Greater Giyani	-	-	2 400	2 400	2 500	2 500	-	-	5 248	2 400	2 500
B	LIM332 Greater Letaba	-	-	2 000	2 000	1 874	1 874	-	-	3 874	2 000	2 100
B	LIM333 Greater Tzaneen	-	-	2 000	2 000	2 100	2 100	-	-	7 011	2 000	2 100
B	LIM334 Bsa-Pfalaborwa	-	-	3 000	3 000	3 000	3 000	-	-	4 769	3 000	3 000
B	LIM335 Mafongeng	-	-	1 800	1 900	2 000	1 616	-	-	3 416	1 900	2 000
C	DC33 Mmamagat District Municipality	-	-	3 000	3 000	3 000	6 799	-	-	9 799	3 000	3 000
<b>Total Limpopo Municipalities</b>												
		-	-	14 200	14 300	14 700	20 417	-	-	34 617	14 300	14 700
B	LIM341 Mosina	-	-	3 000	3 000	3 000	1 975	-	-	4 975	3 000	3 000
B	LIM343 Thabane	7 000	7 000	1 800	1 900	2 000	3 683	-	-	12 483	8 900	9 500
B	LIM344 Mkhafiso	-	-	1 900	2 000	2 100	2 560	-	-	4 460	2 000	2 100
B	LIM345 Collins Chabane	-	-	2 500	2 500	2 600	1 725	-	-	4 225	2 500	2 600
C	DC34 Vhembe District Municipality	1 800	4 800	3 000	3 000	3 000	5 114	-	-	12 914	7 800	8 688
<b>Total Vhembe Municipalities</b>												
		11 800	11 800	12 200	12 400	12 700	15 057	-	-	39 057	24 200	25 888
B	LIM351 Bhoabeq	-	-	2 400	2 400	2 500	2 005	-	-	4 405	2 400	2 500
B	LIM353 Molemole	-	-	2 200	2 200	2 300	1 386	-	-	3 586	2 200	2 300
B	LIM354 Polokwane	8 000	8 000	2 400	2 400	2 500	6 117	-	-	16 517	10 400	8 500
B	LIM355 Lepelle-Nkomo	-	-	2 000	2 000	2 100	1 756	-	-	3 756	2 000	2 100
C	DC35 Capricorn District Municipality	8 000	8 000	10 000	10 000	10 000	14 057	-	-	32 057	18 000	16 000
<b>Total Capricorn Municipalities</b>												
		16 000	16 000	14 600	14 600	14 600	28 120	-	-	54 720	36 000	34 600
B	LIM361 Thabozi	-	-	3 000	3 000	3 000	1 360	-	-	4 360	3 000	3 000
B	LIM363 Lephalale	-	-	1 800	1 900	2 000	1 311	-	-	3 111	1 900	2 000
B	LIM366 Bela-Bela	-	-	1 800	1 900	2 000	1 502	-	-	3 302	1 900	2 000
B	LIM367 Nogatso	-	-	3 500	3 500	3 500	1 610	-	-	5 110	3 500	3 500
B	LIM368 Molemole-Mookgongong	-	-	2 600	2 600	2 600	1 641	-	-	4 241	2 600	2 600
C	DC36 Waterberg District Municipality	-	-	1 000	1 100	1 200	1 200	-	-	2 200	1 100	1 200
<b>Total Waterberg Municipalities</b>												
		-	-	13 700	14 000	14 300	8 624	-	-	22 324	14 000	14 300
B	LIM471 Ephraim Mogale	-	-	3 000	3 000	3 000	1 549	-	-	4 549	3 000	3 000
B	LIM472 Elias Moseledi	-	-	2 800	2 800	2 800	2 609	-	-	5 409	2 800	2 800
B	LIM473 Mkhuthuzanaga	-	-	1 800	1 900	2 000	2 348	-	-	4 148	1 900	2 000
B	LIM476 Fetengomo Tlhabane	-	-	2 500	2 500	2 600	1 742	-	-	4 242	2 500	2 600
C	DC37 Sekake District Municipality	-	-	2 400	2 400	2 500	10 676	-	-	13 076	2 400	2 500
<b>Total Sekake District Municipality</b>												
		-	-	12 500	12 600	12 900	18 924	-	-	31 424	12 600	12 900
<b>Total Limpopo Municipalities</b>												
		19 800	19 188	62 600	63 300	65 200	77 059	-	-	159 459	83 100	84 388
<b>MPUMALANGA</b>												
B	MP301 Chief Albert Luthuli	-	-	2 000	2 000	2 100	2 580	-	-	4 580	2 000	2 100
B	MP302 Mshaidiwa	-	-	3 800	3 800	3 800	1 285	-	-	5 085	3 800	3 800
B	MP303 Mkhondo	-	-	3 000	3 000	3 000	2 004	-	-	5 004	3 000	3 000
B	MP304 Dr Pholeka ka Isaka Senne	-	-	2 400	2 400	2 500	1 931	-	-	4 331	2 400	2 500
B	MP305 Lekwa	-	-	2 800	2 800	2 800	1 760	-	-	4 560	2 800	2 800
B	MP306 Dpalaseng	-	-	2 800	2 800	2 800	1 285	-	-	4 085	2 800	2 800
B	MP307 Govan Mbeki	24 400	23 500	3 500	3 500	3 500	1 597	-	-	29 497	27 000	28 000
C	DC30 Great Senekal District Municipality	14 500	14 500	1 800	1 800	1 800	1 718	-	-	17 218	15 200	15 800
<b>Total Great Senekal District Municipality</b>												
		38 900	37 500	21 300	21 300	21 800	14 100	-	-	74 500	59 900	60 800
B	MP311 Victor Khanye	-	-	1 800	1 900	2 000	1 361	-	-	3 161	1 900	2 000
B	MP312 Emalahleni	-	-	3 000	3 000	3 000	3 193	-	-	6 193	3 000	3 000
B	MP313 Steve Tshwete	-	-	1 800	1 900	2 000	1 808	-	-	3 608	1 900	2 000
B	MP314 Emakhazeni	-	-	3 800	3 800	4 000	4 454	-	-	5 254	3 800	4 000
B	MP315 Thabazimbi Hani	-	-	3 800	3 800	3 800	2 152	-	-	4 952	3 800	3 800
C	DC31 Nkandak District Municipality	-	-	1 000	1 100	1 200	1 706	-	-	2 706	1 100	1 200
<b>Total Nkandak District Municipality</b>												
		-	-	15 600	16 000	16 700	13 874	-	-	29 474	16 000	16 700
B	MP321 Thaba Chweu	-	-	3 000	3 000	3 000	1 608	-	-	4 608	3 000	3 000
B	MP324 Nkomazi	-	-	1 800	1 900	2 000	2 436	-	-	4 236	1 900	2 000
B	MP325 Babbeke Ridge	-	-	2 600	2 600	2 600	3 149	-	-	5 749	2 600	2 600
B	MP326 City of Mbombela	-	-	1 000	1 100	1 200	1 389	-	-	2 689	1 100	1 200
C	DC32 Ehlangeni District Municipality	3 365	3 774	3 500	3 500	3 500	13 699	-	-	28 064	14 874	14 900
<b>Total Ehlangeni District Municipality</b>												
		42 265	41 274	47 900	48 700	49 900	41 733	-	-	131 898	89 974	92 400

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 Integrated Grant for Municipalities			Expanded Public Works Programme Grant for Municipalities			Programme and Project Preparation Support Grant			SUB-TOTAL: CURRENT <sup>1</sup>	
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
<b>NORTHERN CAPE</b>															
B	NC061														
B	NC062		2 600	2 600	2 600									3 800	2 600
B	NC063		3 000	3 000	3 000									4 200	3 000
B	NC064		3 000	3 000	3 000									4 200	3 000
B	NC065		1 900	2 000	2 100									3 113	2 000
B	NC066		2 600	2 600	2 600									3 800	2 600
B	NC067		2 900	2 900	2 900									4 100	2 900
C	DC6		2 000	2 000	2 100									3 206	2 100
<b>Total: Namakwa Municipalities</b>			<b>18 000</b>	<b>18 100</b>	<b>18 300</b>									<b>26 449</b>	<b>18 100</b>
B	NC071		2 900	2 900	2 900									4 100	2 900
B	NC072		1 900	2 000	2 100									2 100	2 100
B	NC073		1 800	2 000	2 000									3 000	1 800
B	NC074		2 800	2 800	2 800									4 000	2 800
B	NC075		3 000	3 000	3 000									4 200	3 000
B	NC076		3 000	3 000	3 000									4 200	3 000
B	NC077		3 000	3 000	3 000									4 200	3 000
B	NC078		3 000	3 000	3 000									4 200	3 000
C	DC7		1 800	1 800	1 200									3 000	1 800
<b>Total: Pixley Ka Seme Municipalities</b>			<b>23 200</b>	<b>23 300</b>	<b>23 800</b>									<b>34 000</b>	<b>23 800</b>
B	NC082		3 800	3 800	3 800									5 048	3 800
B	NC084		3 000	3 000	3 000									4 200	3 000
B	NC085		3 000	3 000	3 000									4 200	3 000
B	NC086		3 000	3 000	3 000									4 200	3 000
B	NC087		3 000	3 000	3 000									4 200	3 000
C	DC8		1 200	1 200	1 100									2 451	1 200
<b>Total: Z.F. Mqanduli Municipalities</b>			<b>17 000</b>	<b>17 000</b>	<b>17 100</b>									<b>24 299</b>	<b>17 100</b>
B	NC091		4 500	4 500	4 500									8 567	6 500
B	NC092		3 000	3 000	3 000									4 278	3 000
B	NC093		3 000	3 000	3 000									4 262	3 000
B	NC094		3 000	3 000	3 000									4 200	3 000
C	DC9		4 800	4 800	4 800									6 574	4 800
<b>Total: Frances Baard District Municipalities</b>			<b>4 500</b>	<b>4 500</b>	<b>4 500</b>									<b>23 561</b>	<b>16 600</b>
B	NC451		3 000	3 000	3 000									4 231	3 000
B	NC452		3 000	3 000	3 000									4 271	3 000
B	NC453		2 000	2 000	2 100									3 217	2 000
C	DC45		5 000	5 000	1 000									7 235	6 000
<b>Total: John Tloko Gaelewe District Municipality</b>			<b>5 000</b>	<b>5 000</b>	<b>9 300</b>									<b>18 954</b>	<b>13 000</b>
<b>Total: John Tloko Gaelewe District Municipality</b>			<b>9 500</b>	<b>9 500</b>	<b>18 700</b>									<b>24 299</b>	<b>17 100</b>
<b>Total: Northern Cape Municipalities</b>			<b>9 800</b>	<b>9 800</b>	<b>38 700</b>									<b>127 263</b>	<b>88 000</b>
<b>NORTH WEST</b>															
B	NW371													4 450	2 900
B	NW372		2 900	2 900	2 900									4 193	2 900
B	NW373		2 900	2 900	2 900									3 372	1 900
B	NW374		3 000	3 000	3 000									4 209	3 000
B	NW375		1 800	1 800	1 800									2 467	1 800
C	DC37		1 800	1 800	1 300									3 161	2 000
<b>Total: Bojanala Platinum District Municipality</b>			<b>14 400</b>	<b>14 400</b>	<b>14 300</b>									<b>22 744</b>	<b>14 900</b>
B	NW381		3 000	3 000	3 000									4 589	3 000
B	NW382		3 000	3 000	3 000									4 329	3 000
B	NW383		3 000	3 000	3 000									4 200	3 000
B	NW384		3 000	3 000	3 000									4 113	2 900
C	DC38		3 000	3 000	2 291									5 291	3 000
<b>Total: Ngaka Modiri Molema District Municipality</b>			<b>17 300</b>	<b>17 300</b>	<b>17 400</b>									<b>30 084</b>	<b>20 400</b>
B	NW392		2 800	2 800	2 800									4 003	2 800
B	NW393		3 000	3 000	3 000									4 516	3 000
B	NW394		3 000	3 000	3 000									4 715	3 000
B	NW395		3 000	3 000	3 000									4 000	3 000
B	NW397		3 000	3 000	3 000									4 006	3 000
C	DC39		3 600	3 600	3 600									4 887	3 600
<b>Total: Dr Ruth Segomotsi Mompati District Municipality</b>			<b>18 400</b>	<b>18 400</b>	<b>18 400</b>									<b>27 257</b>	<b>18 400</b>
B	NW403		3 000	3 000	3 000									4 555	3 000
B	NW404		3 000	3 000	3 000									5 177	3 000
B	NW405		3 000	3 000	3 000									4 517	3 000
C	DC40		1 000	1 000	1 452									2 452	1 000
<b>Total: Dr Kenneth Kaunda District Municipality</b>			<b>10 800</b>	<b>10 900</b>	<b>11 000</b>									<b>17 298</b>	<b>10 900</b>
<b>Total: North West Municipalities</b>			<b>3 000</b>	<b>3 200</b>	<b>61 100</b>									<b>97 483</b>	<b>64 300</b>

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 <sup>1</sup>		
		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		2026/27
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>WESTERN CAPE</b>													
A	CPT City of Cape Town	12 000	12 700	1 000	1 000	1 200	26 664	-	70 000	72 000	74 000	85 700	88 200
B	WC011 Matzikama	-	-	1 800	1 900	2 100	1 389	-	-	-	-	1 900	2 100
B	WC012 Cederberg	-	-	2 000	2 000	2 100	1 534	-	-	-	-	2 000	2 100
B	WC013 Bergvliet	-	-	1 700	1 700	2 000	1 436	-	-	-	-	1 800	2 000
B	WC014 Saldanha Bay	-	-	1 600	1 700	1 900	1 368	-	-	-	-	1 700	1 900
B	WC015 Swartland	-	-	1 600	1 700	1 800	1 593	-	-	-	-	1 700	1 800
C	DC1 West Coast District Municipality	-	-	1 000	1 000	1 200	1 282	-	-	-	-	1 000	1 200
<b>Total: West Coast Municipalities</b>		-	-	<b>9 700</b>	<b>10 100</b>	<b>11 100</b>	<b>8 602</b>	-	-	-	-	<b>10 100</b>	<b>11 100</b>
B	WC022 Witzenberg	-	-	1 600	1 700	1 800	1 559	-	-	-	-	1 700	1 800
B	WC023 Drakenstein	-	-	1 600	1 700	1 800	2 062	-	-	-	-	1 700	1 800
B	WC024 Stellenbosch	-	-	1 600	1 700	1 800	2 021	-	-	-	-	1 700	1 800
B	WC025 Breede Valley	-	-	1 600	1 700	1 800	1 895	-	-	-	-	1 700	1 800
B	WC026 Langeberg	-	-	1 600	1 700	1 800	1 645	-	-	-	-	1 700	1 800
C	DC2 Cape Winelands District Municipality	-	-	1 000	1 000	1 200	1 249	-	-	-	-	1 000	1 200
<b>Total: Cape Winelands Municipalities</b>		-	-	<b>9 000</b>	<b>9 500</b>	<b>10 200</b>	<b>10 431</b>	-	-	-	-	<b>9 500</b>	<b>10 200</b>
B	WC031 Theewaterskloof	-	-	1 800	1 900	2 000	1 563	-	-	-	-	1 900	2 000
B	WC032 Overstrand	-	-	1 700	1 800	1 900	1 898	-	-	-	-	1 800	1 900
B	WC033 Cape Agulhas	-	-	1 700	1 800	1 900	1 363	-	-	-	-	1 800	1 900
B	WC034 Swellendam	-	-	1 800	1 900	2 000	1 305	-	-	-	-	1 900	2 000
C	DC3 Overberg District Municipality	-	-	1 000	1 000	1 200	1 265	-	-	-	-	1 000	1 200
<b>Total: Overberg Municipalities</b>		-	-	<b>8 000</b>	<b>8 400</b>	<b>9 000</b>	<b>7 394</b>	-	-	-	-	<b>8 400</b>	<b>9 000</b>
B	WC041 Kannaland	-	-	2 900	2 900	2 900	1 255	-	-	-	-	2 900	2 900
B	WC042 Hessequa	-	-	1 700	1 800	1 900	1 236	-	-	-	-	1 800	1 900
B	WC043 Mossel Bay	-	-	1 700	1 800	1 900	1 967	-	-	-	-	1 800	1 900
B	WC044 George	6 000	6 200	1 800	1 900	2 000	1 966	-	-	-	-	1 800	1 900
B	WC045 Outshoorn	-	-	2 800	2 800	2 800	1 492	-	-	-	-	2 800	2 800
B	WC047 Bitou	-	-	1 800	1 900	2 000	1 474	-	-	-	-	1 900	2 000
B	WC048 Knysna	-	-	1 800	1 900	2 000	1 279	-	-	-	-	1 900	2 000
C	DC4 Garden Route District Municipality	-	-	1 000	1 000	1 200	1 545	-	-	-	-	1 000	1 200
<b>Total: Garden Route Municipalities</b>		<b>6 000</b>	<b>6 200</b>	<b>15 500</b>	<b>16 000</b>	<b>16 700</b>	<b>12 214</b>	-	-	-	-	<b>33 714</b>	<b>22 200</b>
B	WC051 Langsburg	-	-	1 800	1 900	2 000	1 209	-	-	-	-	1 900	2 000
B	WC052 Prince Albert	-	-	1 800	1 900	2 000	1 200	-	-	-	-	1 900	2 000
B	WC053 Beaufort West	-	-	2 000	2 000	2 100	1 226	-	-	-	-	2 000	2 100
C	DC5 Central Karoo District Municipality	-	-	1 000	1 000	1 200	1 203	-	-	-	-	1 000	1 200
<b>Total: Central Karoo Municipalities</b>		-	-	<b>6 600</b>	<b>6 800</b>	<b>7 300</b>	<b>4 838</b>	-	-	-	-	<b>6 800</b>	<b>7 300</b>
<b>Total: Western Cape Municipalities</b>		<b>18 000</b>	<b>18 900</b>	<b>49 800</b>	<b>51 800</b>	<b>55 500</b>	<b>70 143</b>	-	<b>70 000</b>	<b>72 000</b>	<b>74 000</b>	<b>142 700</b>	<b>149 000</b>
Unallocated		-	-	-	-	-	-	593 271	-	-	-	962 335	1 006 424
<b>National Total</b>		<b>165 365</b>	<b>172 774</b>	<b>180 688</b>	<b>582 223</b>	<b>589 685</b>	<b>616 701</b>	<b>503 271</b>	<b>385 840</b>	<b>390 784</b>	<b>408 688</b>	<b>2 071 873</b>	<b>2 212 501</b>

1. Includes unallocated amounts for the Municipal Disaster Response Grant (MDRG). The MDRG is allocated R378 million in 2024/25, R395 million in 2025/26 and R413 million in 2026/27

**ANNEXURE W5**

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

**(National and Municipal Financial Years)**



## ANNEXURE W 5

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

Category	Municipality	Municipal Infrastructure Grant		Municipal Disaster Recovery 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	
		2024/25 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2026/27 (R'000)
<b>EASTERN CAPE</b>															
A	BUF Buffalo City	-	-	-	-	7 000	8 500	-	-	-	-	390 000	-	-	-
A	NMA Nelson Mandela Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	EC101 Dr Beyers Naudé	23 477	24 443	5 005	5 005	-	-	-	-	-	-	-	-	20 200	29 227
B	EC102 Blue Crane Route	15 999	16 575	22 880	22 880	4 000	5 000	-	-	-	-	-	-	13 000	13 000
B	EC104 Makana	27 858	31 278	-	-	-	-	-	-	-	-	-	-	19 800	20 681
B	EC105 Ndlambe	31 238	32 611	-	-	-	-	-	-	-	-	-	-	32 600	20 262
B	EC106 Sundays River Valley	39 150	30 413	-	-	4 000	4 000	-	-	-	-	-	-	16 000	21 800
B	EC108 Kouga	36 558	38 208	-	-	-	-	-	-	-	-	-	-	7 000	9 000
B	EC109 Kou-Kamma	17 897	19 090	-	-	4 000	3 000	-	-	-	-	-	-	15 000	10 000
C	DC10 Sarah Baartman District Municipality	19 156	19 156	27 885	27 885	12 000	11 000	5 000	5 000	2 514	2 514	-	-	131 357	122 000
<b>TOTAL: Sarah Baartman District Municipality</b>															
B	EC121 Mbitshane	70 329	73 746	80 105	80 105	-	-	-	-	-	-	-	-	-	-
B	EC122 Mqum	73 457	77 037	6 472	6 472	-	-	-	-	-	-	-	-	-	-
B	EC123 Great Kei	12 436	12 825	-	-	3 000	4 000	-	-	-	-	-	-	-	-
B	EC124 Amathlazi	37 403	33 941	19 145	19 145	-	-	-	-	-	-	-	-	-	-
B	EC126 Ngqushwa	25 797	26 884	28 909	28 909	-	-	-	-	-	-	-	-	-	-
B	EC129 Raymond Mhlaba	45 699	47 828	27 415	27 415	-	-	-	-	-	-	-	-	-	-
C	DC12 Amathole District Municipality	493 511	519 062	566 615	566 615	-	-	-	-	-	-	-	-	-	-
<b>TOTAL: Amathole District Municipality</b>															
B	EC131 Inxuba Yethemba	18 225	18 916	8 429	8 429	-	-	-	-	-	-	-	-	-	-
B	EC135 Inxuba Yethu	60 166	59 925	29 258	30 032	-	-	-	-	-	-	-	-	-	-
B	EC136 Emahlalen	38 891	40 663	32 071	32 071	-	-	-	-	-	-	-	-	-	-
B	EC137 Dr. A.B. Xuma	44 827	46 910	18 898	18 917	-	-	-	-	-	-	-	-	-	-
B	EC138 Sakhisizwe	21 505	25 031	35 515	35 516	-	-	-	-	-	-	-	-	-	-
B	EC139 Enoch Mgijima	65 424	66 489	32 167	32 029	-	-	-	-	-	-	-	-	-	-
C	DC13 Chris Hani District Municipality	399 979	398 628	20 745	20 745	-	-	-	-	-	-	-	-	-	-
<b>TOTAL: Chris Hani District Municipality</b>															
B	EC141 Elundini	45 340	47 450	51 377	51 377	-	-	-	-	-	-	-	-	-	-
B	EC142 Sengca Shale	54 789	46 570	50 713	50 713	-	-	-	-	-	-	-	-	-	-
B	EC145 Walter Sisulu	21 520	22 384	23 992	23 992	4 000	4 000	-	-	-	-	-	-	-	-
C	DC14 Joe Gqabi District Municipality	180 157	189 318	206 569	206 569	-	-	-	-	-	-	-	-	-	-
<b>TOTAL: Joe Gqabi District Municipality</b>															
B	EC143 Nqanga Hill	63 812	66 888	72 613	8 114	-	-	-	-	-	-	-	-	-	-
B	EC154 Port St Johns	39 862	41 685	45 078	25 634	-	-	-	-	-	-	-	-	-	-
B	EC155 Nyandeni	71 339	74 809	81 267	35 560	-	-	-	-	-	-	-	-	-	-
B	EC156 Mthatha	51 631	54 070	58 609	25 037	-	-	-	-	-	-	-	-	-	-
B	EC157 King Sabata Dalindyebo	101 606	106 659	116 063	30 178	-	-	-	-	-	-	-	-	-	-
C	DC15 O.R. Tambo District Municipality	727 555	765 347	835 683	765 347	-	-	-	-	-	-	-	-	-	-
<b>TOTAL: O.R. Tambo District Municipality</b>															
B	EC441 Matielde	57 584	60 334	65 453	24 543	-	-	-	-	-	-	-	-	-	-
B	EC442 Umtombu	54 199	56 772	61 561	26 848	-	-	-	-	-	-	-	-	-	-
B	EC443 Winnie Madikizela-Mandela	56 512	59 206	64 221	21 315	-	-	-	-	-	-	-	-	-	-
B	EC444 Ntshonalu	41 331	32 708	38 271	21 314	-	-	-	-	-	-	-	-	-	-
C	DC34 Alfred Nzo District Municipality	441 756	454 077	495 618	495 618	-	-	-	-	-	-	-	-	-	-
<b>TOTAL: Alfred Nzo District Municipality</b>															
B	EC445 Mthatha	63 182	63 097	72 704	72 704	-	-	-	-	-	-	-	-	-	-
<b>TOTAL: Mthatha Municipality</b>															
B	EC446 Mthatha	3 634 357	3 634 131	3 978 505	494 205	26 000	32 000	28 850	382 170	17 749	18 546	707 935	853 115	562 175	563 691
<b>TOTAL: Eastern Cape Municipalities</b>															

ANNEXURE W5

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

Category	Municipal Infrastructure Grant		Municipal Disaster Recovery 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	
	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>FREE STATE</b>														
A MAN Mangungu	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B FS161 Lesemeng	20 105	21 502	4 000	3 000	4 000	4 000	3 300	5 000	-	-	-	-	15 287	23 285
B FS162 Koroong	23 431	24 395	-	-	-	-	3 300	5 000	-	-	-	-	15 000	18 672
B FS163 Mokoare	23 776	21 180	-	-	-	-	3 900	3 000	2 411	2 519	16 161	-	15 930	20 000
C DC16 Xhariep District Municipality	-	-	-	-	-	-	3 900	3 000	2 411	2 519	16 161	-	15 930	20 000
<b>Total: Xhariep Municipalities</b>	<b>74 561</b>	<b>65 680</b>	<b>4 000</b>	<b>3 000</b>	<b>4 000</b>	<b>4 000</b>	<b>9 600</b>	<b>13 000</b>	<b>2 411</b>	<b>2 519</b>	<b>16 161</b>	<b>-</b>	<b>61 957</b>	<b>68 993</b>
B FS181 Masibong	26 717	29 966	4 000	5 000	5 000	5 000	17 700	5 000	-	-	-	-	18 224	24 388
B FS182 Tokologo	18 587	20 621	-	-	-	-	5 445	5 000	-	-	-	-	22 109	23 780
B FS183 Tswelopele	28 563	19 273	-	-	-	-	501	1 500	-	-	-	-	16 956	18 440
B FS184 Mafabeng	139 514	159 643	-	-	-	-	26 092	20 000	-	-	-	-	17 968	22 110
B FS185 Nala	44 050	35 570	5 000	5 000	5 000	5 000	3 300	3 500	2 861	2 675	-	-	17 379	22 370
C DC18 Leribe District Municipality	-	-	-	-	-	-	9 000	10 000	2 861	2 675	-	-	89 636	106 807
<b>Total: Leribe District Municipality</b>	<b>257 431</b>	<b>248 542</b>	<b>9 000</b>	<b>10 000</b>	<b>10 000</b>	<b>10 000</b>	<b>44 383</b>	<b>34 766</b>	<b>2 861</b>	<b>2 675</b>	<b>-</b>	<b>-</b>	<b>89 636</b>	<b>106 807</b>
B FS191 Seoto	54 722	57 323	-	-	-	-	5 280	4 770	-	-	141 951	70 000	20 008	25 540
B FS192 Dlabeng	44 678	46 753	-	-	-	-	3 300	3 500	-	-	-	-	18 832	24 676
B FS193 Nakovana	28 966	30 219	-	-	-	-	7 183	4 000	-	-	-	-	20 000	20 448
B FS194 Mafisa-Phofing	198 403	200 100	-	-	-	-	3 300	3 000	-	-	-	-	37 510	51 723
B FS195 Phamela	23 868	24 835	4 000	5 000	5 000	5 000	1 980	2 889	-	-	-	-	19 622	20 501
B FS196 Mantsopa	22 667	23 612	5 500	5 000	5 000	5 000	3 300	2 981	2 455	2 565	-	-	10 896	12 384
C DC19 Thabo Mofengwana District Municipality	-	-	-	-	-	-	9 500	10 000	2 455	2 565	-	-	126 868	145 277
<b>Total: Thabo Mofengwana Municipalities</b>	<b>373 334</b>	<b>382 862</b>	<b>9 500</b>	<b>10 000</b>	<b>10 000</b>	<b>10 000</b>	<b>7 183</b>	<b>23 160</b>	<b>2 455</b>	<b>2 565</b>	<b>141 951</b>	<b>70 000</b>	<b>126 868</b>	<b>145 277</b>
B FS201 Mqhele	46 656	48 835	-	-	-	-	5 620	5 000	-	-	-	-	17 971	14 597
B FS202 Ntshabane	48 656	50 939	-	-	-	-	15 585	17 000	-	-	60 000	141 112	10 906	10 448
B FS203 Mafabelo	51 791	54 238	-	-	-	-	10 234	10 000	-	-	-	30 000	24 361	25 961
B FS204 Mafise	25 550	26 625	-	-	-	-	23 236	7 000	2 455	2 565	-	-	15 000	19 450
C DC20 Fezile Dabi District Municipality	-	-	-	-	-	-	49 055	38 620	2 455	2 565	60 000	171 112	68 238	70 456
<b>Total: Fezile Dabi Municipalities</b>	<b>172 653</b>	<b>180 637</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99 055</b>	<b>97 240</b>	<b>2 455</b>	<b>2 565</b>	<b>60 000</b>	<b>171 112</b>	<b>68 238</b>	<b>70 456</b>
<b>Total: Free State Municipalities</b>	<b>877 969</b>	<b>877 721</b>	<b>22 500</b>	<b>21 000</b>	<b>24 000</b>	<b>24 000</b>	<b>104 521</b>	<b>110 040</b>	<b>10 126</b>	<b>10 579</b>	<b>220 112</b>	<b>241 112</b>	<b>330 959</b>	<b>394 497</b>
<b>GAUTENG</b>														
A EKU City of Ekurhuleni	-	-	7 000	7 000	8 500	8 500	-	-	-	-	-	-	-	-
A JHB City of Johannesburg	-	-	7 000	7 000	8 500	8 500	-	-	-	-	-	-	-	-
A TSH City of Tshwane	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B G1421 Emfuleni	160 793	209 254	5 500	5 200	4 000	4 000	14 000	14 000	-	-	-	-	-	-
B G1422 Midwal	46 465	38 111	4 000	4 000	4 000	4 000	29 888	16 500	-	-	-	-	32 599	21 519
B G1423 Levet	40 331	31 656	4 000	4 000	4 000	4 000	23 519	20 000	2 733	2 856	-	-	19 354	20 218
C DC42 Sedibeng District Municipality	-	-	14 500	14 500	13 000	13 000	53 407	50 500	2 733	2 856	-	-	51 953	41 737
<b>Total: Sedibeng Municipalities</b>	<b>247 589</b>	<b>279 021</b>	<b>14 500</b>	<b>14 500</b>	<b>13 000</b>	<b>13 000</b>	<b>97 704</b>	<b>94 000</b>	<b>2 733</b>	<b>2 856</b>	<b>-</b>	<b>-</b>	<b>51 953</b>	<b>41 737</b>
B G1481 Magale City	-	-	-	-	-	-	14 000	14 000	-	-	-	-	100 000	100 000
B G1484 Menong City	77 320	81 103	-	-	-	-	17 768	16 500	-	-	-	-	33 342	45 277
B G1485 Rand West City	116 549	111 860	-	-	-	-	50 074	25 000	2 911	3 041	-	-	61 447	74 637
C DC48 West Rand District Municipality	-	-	-	-	-	-	67 842	55 500	2 911	3 041	3 181	-	194 789	219 914
<b>Total: West Rand Municipalities</b>	<b>194 369</b>	<b>192 963</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67 842</b>	<b>55 500</b>	<b>2 911</b>	<b>3 041</b>	<b>3 181</b>	<b>-</b>	<b>194 789</b>	<b>219 914</b>
<b>Total: Gauteng Municipalities</b>	<b>441 488</b>	<b>471 984</b>	<b>28 500</b>	<b>23 200</b>	<b>35 000</b>	<b>35 000</b>	<b>121 249</b>	<b>110 000</b>	<b>5 644</b>	<b>5 897</b>	<b>6 167</b>	<b>-</b>	<b>246 742</b>	<b>261 651</b>

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

Category	Municipal Infrastructure Grant		Municipal Disaster Recovery 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	
	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)
<b>KWAZULU-NATAL</b>														
A. ETH. eThekweni	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. KZN212 uMhlabini	38 529	37 126	-	-	3 000	7 000	4 800	8 000	-	-	-	-	-	-
B. KZN213 uMhlabeni	38 529	41 348	-	-	3 000	7 000	4 800	8 000	-	-	-	-	-	-
B. KZN214 uMhlabeni	26 795	27 635	-	-	5 500	5 000	-	-	-	-	-	-	-	-
B. KZN216 uMhlabeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. KZN217 uMhlabeni	182 877	192 181	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total: Local District Municipalities</b>	<b>287 743</b>	<b>298 590</b>	<b>287 743</b>	<b>298 590</b>	<b>8 500</b>	<b>5 000</b>	<b>4 000</b>	<b>4 000</b>	<b>28 918</b>	<b>2 988</b>	<b>3 122</b>	<b>3 265</b>	<b>100 000</b>	<b>110 000</b>
B. KZN221 uMhlabeni	33 423	35 867	-	-	35 867	7 000	-	-	6 000	-	-	-	-	-
B. KZN222 uMhlabeni	26 469	27 392	7 426	-	-	-	-	-	14 620	15 000	-	-	-	-
B. KZN223 uMhlabeni	13 365	13 803	14 617	-	3 000	3 000	-	-	10 344	10 000	-	-	-	-
B. KZN224 uMhlabeni	12 982	13 399	15 558	-	-	-	-	-	14 773	3 000	-	-	-	-
B. KZN225 uMhlabeni	231 752	243 612	265 685	13 214	5 000	4 000	-	-	4 971	5 000	-	-	70 000	80 000
B. KZN226 uMhlabeni	18 159	18 847	20 128	-	3 000	4 000	-	-	11 643	7 205	-	-	-	-
B. KZN227 uMhlabeni	29 974	21 810	23 365	-	-	-	-	-	5 764	6 206	-	-	-	-
B. KZN228 uMhlabeni	112 200	123 809	135 991	-	-	-	-	-	2 840	2 867	-	-	100 000	110 000
B. KZN229 uMhlabeni	472 750	495 285	557 511	36 198	8 000	6 000	8 000	8 000	40 189	53 715	-	-	170 000	190 000
<b>Total: uMhlabeni District Municipality</b>	<b>1 512 420</b>	<b>1 556 528</b>	<b>1 619 291</b>	<b>138 918</b>	<b>60 867</b>	<b>32 000</b>	<b>32 000</b>	<b>32 000</b>	<b>115 230</b>	<b>128 162</b>	<b>3 103</b>	<b>3 103</b>	<b>185 000</b>	<b>210 000</b>
B. KZN235 uMhlabeni	45 689	34 138	36 833	8 858	8 858	-	-	-	6 701	10 000	-	-	-	-
B. KZN237 uMhlabeni	43 819	45 849	49 628	-	-	-	-	-	11 851	10 344	-	-	-	-
B. KZN238 uMhlabeni	82 415	75 941	82 503	-	-	-	-	-	15 556	6 000	-	-	-	-
<b>Total: uThabatha District Municipality</b>	<b>191 529</b>	<b>222 331</b>	<b>242 435</b>	<b>8 858</b>	<b>8 858</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44 708</b>	<b>26 344</b>	<b>2 792</b>	<b>2 918</b>	<b>100 000</b>	<b>110 000</b>
B. KZN241 uMhlabeni	17 155	17 791	18 974	6 407	4 000	4 000	5 000	5 000	9 559	5 000	-	-	-	-
B. KZN242 uMhlabeni	46 128	37 756	40 786	-	-	-	-	-	16 474	18 000	-	-	-	-
B. KZN244 uMhlabeni	43 516	45 331	49 280	6 015	6 015	-	-	-	18 629	17 000	-	-	-	-
B. KZN245 uMhlabeni	44 480	36 022	38 892	-	-	-	-	-	13 811	7 000	-	-	-	-
<b>Total: uMhlabeni District Municipality</b>	<b>218 278</b>	<b>227 329</b>	<b>247 895</b>	<b>12 422</b>	<b>12 422</b>	<b>4 000</b>	<b>5 000</b>	<b>5 000</b>	<b>58 473</b>	<b>48 000</b>	<b>2 653</b>	<b>2 796</b>	<b>85 000</b>	<b>100 000</b>
B. KZN252 Newcastle	131 702	138 424	150 767	6 891	6 891	-	-	-	23 344	18 000	-	-	-	-
B. KZN253 uMhlabeni	10 160	10 430	10 932	6 180	6 180	-	-	-	15 518	8 000	-	-	-	-
B. KZN254 uMhlabeni	24 921	25 863	27 903	10 011	10 011	-	-	-	2 758	2 800	-	-	-	-
<b>Total: Amathole District Municipality</b>	<b>166 783</b>	<b>174 747</b>	<b>190 602</b>	<b>13 072</b>	<b>13 072</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41 616</b>	<b>28 800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B. KZN261 eManteni	20 507	21 318	22 827	-	-	-	-	-	7 753	6 600	-	-	-	-
B. KZN262 uMhlabeni	40 696	34 145	36 841	-	-	-	-	-	4 474	5 764	-	-	-	-
B. KZN263 uMhlabeni	43 212	45 211	48 931	-	-	-	-	-	5 518	7 205	-	-	-	-
B. KZN265 uMhlabeni	36 925	38 395	41 703	-	-	-	-	-	4 323	5 000	-	-	-	-
B. KZN266 uMhlabeni	35 780	37 390	40 386	-	-	-	-	-	4 934	6 600	-	-	-	-
<b>Total: Zululand District Municipality</b>	<b>259 502</b>	<b>272 858</b>	<b>297 684</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26 653</b>	<b>32 772</b>	<b>2 899</b>	<b>2 899</b>	<b>100 000</b>	<b>115 000</b>
B. KZN271 uMhlabeni	40 541	42 400	45 859	9 704	9 704	-	-	-	13 533	8 500	-	-	-	-
B. KZN272 uMhlabeni	43 490	45 503	49 250	9 704	9 704	-	-	-	7 801	10 270	-	-	-	-
B. KZN275 uMhlabeni	36 784	38 447	41 541	-	-	-	-	-	8 777	9 000	-	-	-	-
B. KZN276 uMhlabeni	24 436	25 453	27 345	-	-	-	-	-	2 945	3 077	-	-	-	-
<b>Total: uMhlabeni District Municipality</b>	<b>145 551</b>	<b>151 803</b>	<b>164 000</b>	<b>19 408</b>	<b>19 408</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 111</b>	<b>34 975</b>	<b>3 845</b>	<b>3 877</b>	<b>-</b>	<b>-</b>
B. KZN281 uMhlabeni	37 418	31 537	33 991	-	-	-	-	-	10 087	9 113	-	-	-	-
B. KZN282 uMhlabeni	57 042	49 241	53 334	-	-	-	-	-	9 850	5 000	-	-	60 000	80 000
B. KZN284 uMhlabeni	20 490	21 300	22 808	-	-	-	-	-	4 021	5 764	-	-	-	-
B. KZN285 uMhlabeni	26 189	27 297	29 340	-	-	-	-	-	8 184	8 000	-	-	-	-
<b>Total: King Cetshwayo District Municipality</b>	<b>141 136</b>	<b>139 474</b>	<b>146 273</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31 133</b>	<b>34 975</b>	<b>3 100</b>	<b>3 100</b>	<b>100 000</b>	<b>115 000</b>
B. KZN291 uMhlabeni	41 101	42 989	46 503	-	-	-	-	-	9 227	9 200	-	-	-	-
B. KZN292 uMhlabeni	60 509	63 455	68 862	-	-	-	-	-	18 523	10 344	-	-	-	-
B. KZN293 uMhlabeni	34 473	36 014	38 883	-	-	-	-	-	11 477	10 505	-	-	-	-
B. KZN294 uMhlabeni	25 576	26 652	28 655	-	-	-	-	-	10 051	9 344	-	-	-	-
<b>Total: Lembedu District Municipality</b>	<b>161 669</b>	<b>169 010</b>	<b>183 703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49 278</b>	<b>39 113</b>	<b>2 849</b>	<b>2 849</b>	<b>100 000</b>	<b>115 000</b>
B. KZN343 Greater Kosiab	19 666	20 433	21 861	-	-	-	-	-	14 620	6 896	-	-	-	-
B. KZN344 uMhlabeni	31 042	32 404	34 939	-	-	-	-	-	4 216	7 566	-	-	-	-
B. KZN345 uMhlabeni	59 593	52 977	57 416	-	-	-	-	-	4 827	5 000	-	-	-	-
B. KZN346 uMhlabeni	31 318	32 694	35 286	-	-	-	-	-	5 504	4 827	-	-	-	-
<b>Total: Harry Gwala District Municipality</b>	<b>141 619</b>	<b>142 510</b>	<b>151 502</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 240</b>	<b>23 230</b>	<b>2 498</b>	<b>2 498</b>	<b>100 000</b>	<b>115 000</b>
B. KZN347 uMhlabeni	372 241	380 511	413 858	-	-	-	-	-	34 340	34 116	-	-	-	-
<b>Total: Kwazulu-Natal Municipalities</b>	<b>3 623 842</b>	<b>3 759 855</b>	<b>4 062 223</b>	<b>90 263</b>	<b>76 432</b>	<b>31 000</b>	<b>35 000</b>	<b>35 000</b>	<b>350 739</b>	<b>350 142</b>	<b>27 137</b>	<b>28 354</b>	<b>1 070 000</b>	<b>1 235 000</b>

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

Category	Municipality	Municipal Infrastructure Grant			Municipal Disaster Recovery 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		
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
		2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27
<b>LIMPOPO</b>																						
B	LIM031 Greater Giyani	71 163	74 624	81 064	-	-	-	4 000	4 000	-	18 029	18 000	18 000	19 000	-	-	-	-	-	-	-	
B	LIM032 Greater Letaba	72 204	70 774	76 858	7 997	-	-	5 000	5 000	-	17 170	6 485	9 000	9 000	-	-	-	-	-	-	-	
B	LIM033 Greater Tzaneen	111 062	116 610	126 934	10 261	-	-	5 000	5 000	-	23 930	9 256	9 000	9 000	-	-	-	-	-	-	-	
B	LIM034 Ba-Panahara	37 141	38 822	41 951	-	-	-	-	-	-	4 814	8 275	8 000	8 000	-	-	-	-	-	-	-	
B	LIM035 Maraleg	49 013	52 888	54 791	-	-	-	-	-	-	5 848	-	-	-	-	-	-	-	-	-	-	
B	LIM036 Mankayane Municipality	521 660	541 848	602 434	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC33. Mankayane District Municipality	857 150	884 946	944 052	18 258	-	-	14 000	9 000	10 000	69 791	42 016	45 000	45 000	-	-	-	-	-	-	-	
B	LIM041 Middelburg	33 559	35 053	37 833	-	-	-	4 000	4 000	-	14 617	9 800	12 458	12 458	-	-	-	-	-	-	-	
B	LIM042 Middelburg	117 147	123 013	133 929	-	-	-	4 000	4 000	-	13 258	8 964	10 000	10 000	-	-	-	-	-	-	-	
B	LIM044 Mkhambatheni	105 490	110 746	120 528	6 006	-	-	-	-	-	19 105	13 200	9 500	9 500	-	-	-	-	-	-	-	
B	LIM045 Collier-Chabane	594 519	601 306	610 215	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC34. Swabeni District Municipality	594 505	625 338	682 722	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC34. Swabeni District Municipality	947 220	998 456	1 085 227	6 006	6 006	-	4 000	4 000	5 000	46 228	38 664	41 302	41 302	-	-	-	-	-	-	-	
B	LIM051 Bloemfontein	51 769	54 215	58 767	15 716	-	-	4 000	4 000	-	21 930	13 200	7 000	7 000	-	-	-	-	-	-	-	
B	LIM053 Maseru	40 820	42 694	46 180	-	-	-	3 000	3 000	-	12 573	6 600	12 000	12 000	-	-	-	-	-	-	-	
B	LIM056 Beira-Bela	29 632	30 921	33 318	4 765	-	-	5 000	4 000	5 000	12 573	6 600	7 000	7 000	-	-	-	-	-	-	-	
B	LIM057 Mopani	182 540	191 826	209 108	-	-	-	3 000	3 000	-	12 976	6 896	6 230	6 230	-	-	-	-	-	-	-	
B	LIM058 Mopani-Mookgongong	54 550	46 618	50 488	-	-	-	-	-	-	10 231	13 200	11 000	11 000	-	-	-	-	-	-	-	
C	DC35. Capricorn District Municipality	266 222	279 885	305 313	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC35. Capricorn District Municipality	422 128	443 162	482 304	20 481	-	-	5 000	4 000	5 000	34 503	41 285	42 000	42 000	-	-	-	-	-	-	-	
B	LIM061 Thabazimbi	38 157	39 891	43 119	-	-	-	4 000	4 000	-	18 000	16 000	16 000	16 000	-	-	-	-	-	-	-	
B	LIM062 Lephalale	50 425	52 801	57 223	-	-	-	4 000	4 000	-	12 412	11 212	12 412	12 412	-	-	-	-	-	-	-	
B	LIM066 Bela-Bela	29 632	30 921	33 318	-	-	-	3 000	3 000	-	20 315	17 000	10 000	10 000	-	-	-	-	-	-	-	
B	LIM067 Mopani	182 540	191 826	209 108	-	-	-	3 000	3 000	-	12 976	6 896	6 230	6 230	-	-	-	-	-	-	-	
B	LIM068 Mopani-Mookgongong	54 550	46 618	50 488	-	-	-	-	-	-	10 231	13 200	11 000	11 000	-	-	-	-	-	-	-	
C	DC36. Mankayane District Municipality	385 394	362 067	393 216	-	-	-	4 000	10 000	7 000	43 522	67 588	54 442	54 442	-	-	-	-	-	-	-	
B	LIM071 Ephraim Mogale	48 796	40 564	43 853	-	-	-	4 000	4 000	-	6 614	1 980	1 980	1 980	-	-	-	-	-	-	-	
B	LIM072 Letaba-Mosenthal	74 314	67 416	75 190	-	-	-	4 000	4 000	-	17 544	5 516	4 983	4 983	-	-	-	-	-	-	-	
B	LIM076 Letaba	72 858	76 407	83 012	-	-	-	3 000	3 000	-	12 431	13 200	14 327	14 327	-	-	-	-	-	-	-	
C	DC37. Sekake District Municipality	109 394	104 237	113 417	-	-	-	-	-	-	24 122	25 000	27 158	27 158	-	-	-	-	-	-	-	
C	DC37. Sekake District Municipality	548 555	576 984	629 895	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC37. Sekake District Municipality	853 827	865 608	943 367	-	-	-	4 000	7 000	4 000	54 711	45 606	46 468	46 468	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212	229 212	-	-	-	-	-	-	-	
C	DC39. Geri-Shabane District Municipality	3 435 629	3 551 229	3 868 166	44 745	26 488	-	31 000	34 000	31 000	248 755	235 169	229 212									

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

Category	Municipality	Municipal Infrastructure Grant		Municipal Disaster Recovery 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	
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>NORTHERN CAPE</b>															
B	NC061 Richtersveld	7 759	7 903	8 171	-	-	-	-	1 320	1 192	-	-	-	5 000	17 192
B	NC062 Nam-Karas	16 322	16 914	18 016	-	-	-	-	1 452	1 312	-	-	-	10 000	20 000
B	NC064 Kamiesberg	8 017	8 468	8 174	-	-	-	-	1 188	1 073	-	-	-	12 200	15 000
B	NC065 Hanam	20 629	10 923	11 471	-	-	-	-	2 547	3 488	-	-	-	20 000	19 356
B	NC066 Karoo Hoogland	8 651	8 842	9 198	-	-	-	-	2 768	1 881	-	-	-	10 000	27 000
B	NC067 Kalla-Ala	8 274	8 445	8 764	-	-	-	-	2 924	1 908	-	-	-	10 000	20 000
C	DC6 Nam-Karoo District Municipality	69 652	61 201	64 088	-	-	-	-	8 239	11 814	-	-	-	57 200	102 192
<b>Total: Northern Cape Municipalities</b>															
B	NC071 Uitenhage	10 872	11 179	11 751	-	-	-	-	4 140	3 740	-	-	-	20 000	16 000
B	NC072 Unsoothu	12 674	13 076	13 823	-	-	-	-	2 456	1 230	-	-	-	5 000	15 000
B	NC073 Emlahleni	13 468	13 910	14 733	-	-	-	-	2 244	2 280	-	-	-	31 000	33 283
B	NC074 Kei-Oriem	8 790	9 090	9 670	-	-	-	-	4 386	4 183	-	-	-	10 000	10 000
B	NC075 Kei-Oriem	7 833	8 068	8 372	-	-	-	-	2 307	1 452	-	-	-	12 000	12 000
B	NC076 Renswilerberg	10 216	10 488	10 996	-	-	-	-	2 000	1 252	-	-	-	12 000	12 000
B	NC077 Siyabheba	10 710	11 009	11 564	-	-	-	-	3 630	3 279	-	-	-	10 000	10 000
B	NC078 Siyexama	26 620	19 332	20 658	-	-	-	-	5 412	5 000	-	-	-	10 000	10 000
C	DC7 Pixley Ka-Seme District Municipality	101 075	95 850	101 018	-	-	-	-	21 198	20 775	-	-	-	78 059	64 285
<b>Total: Pixley Ka-Seme Municipalities</b>															
B	NC082 Kei-Corb	25 477	26 548	28 541	-	-	-	-	7 573	7 000	-	-	-	-	-
B	NC084 Kkeis	12 010	12 658	13 344	-	-	-	-	1 188	1 073	-	-	-	-	-
B	NC085 Tsamabane	17 331	17 976	19 176	-	-	-	-	13 494	8 000	-	-	-	14 (63)	-
B	NC086 Kgetlope	8 610	8 799	9 150	-	-	-	-	1 848	2 000	-	-	-	30 000	-
B	NC087 David Keiser	28 687	29 926	32 232	-	-	-	-	6 270	5 664	-	-	-	11 734	20 000
C	DC3 Z.F. Mgcawu District Municipality	101 767	98 259	101 757	-	-	-	-	21 067	24 306	-	-	-	41 233	25 897
<b>Total: Z.F. Mgcawu Municipalities</b>															
B	NC091 Sed Phatlala	22 097	22 992	24 656	-	-	-	-	14 000	14 000	-	-	-	492 000	-
B	NC092 Dkharu	12 638	13 344	14 369	-	-	-	-	5 610	5 068	-	-	-	20 000	20 000
B	NC093 Margate	39 975	31 281	33 712	-	-	-	-	9 900	8 894	-	-	-	25 000	45 000
C	DC9 Frances Baard District Municipality	84 330	66 911	71 712	-	-	-	-	10 526	9 000	-	-	-	2 955	3 091
<b>Total: Frances Baard Municipalities</b>															
B	NC451 Joe Molebana	69 216	72 574	78 825	-	-	-	-	1 320	1 192	-	-	-	60 000	55 000
B	NC452 Gx-Sinyanya	61 305	64 460	69 961	-	-	-	-	53 183	15 000	-	-	-	31 000	30 000
B	NC453 Gungahla	21 149	13 375	14 369	-	-	-	-	4 825	10 000	-	-	-	15 000	20 000
C	DC15 John Tshepo Gaseve District Municipality	151 669	151 669	163 155	-	-	-	-	58 008	26 200	-	-	-	106 000	110 000
<b>Total: John Tshepo Gaseve Municipalities</b>															
<b>NORTH WEST</b>															
B	NW371 Moretele	133 616	140 343	152 863	-	-	-	-	-	-	-	-	-	75 000	79 947
B	NW372 Mafabeng	329 018	345 965	377 506	-	-	-	-	25 184	19 000	-	-	-	70 000	86 000
B	NW373 Rustenburg	275 611	289 765	316 107	-	-	-	-	22 223	20 000	-	-	-	80 000	87 000
B	NW374 Kgalegwiwer	39 532	30 815	33 203	-	-	-	-	-	-	-	-	-	80 000	87 000
B	NW375 Moses Kotane	174 843	183 347	199 845	-	-	-	-	-	-	-	-	-	80 000	87 000
C	DC17 Bojale District Municipality	952 260	990 238	1 079 524	-	-	-	-	47 407	45 000	-	-	-	225 000	241 663
<b>Total: Bojale District Municipality</b>															
B	NW381 Rabou	45 906	35 601	38 322	-	-	-	-	4 620	4 500	-	-	-	-	-
B	NW382 Tsoelike	71 865	75 406	81 918	-	-	-	-	4 000	3 300	-	-	-	-	-
B	NW384 Bantshoeng	42 469	44 460	48 111	-	-	-	-	2 213	5 280	-	-	-	-	-
B	NW385 Ramothabane	43 211	45 209	48 929	-	-	-	-	-	-	-	-	-	-	-
C	DC18 Nkaiela-Molema District Municipality	345 927	363 759	396 945	-	-	-	-	-	-	-	-	-	-	-
<b>Total: Nkaiela-Molema District Municipality</b>															
B	NW392 Naledi	28 257	20 003	21 391	-	-	-	-	6 213	13 200	-	-	-	-	-
B	NW393 Mmasisa	18 388	19 627	21 391	-	-	-	-	26 191	12 000	-	-	-	-	-
B	NW394 Greater Tleng	58 263	63 190	67 840	-	-	-	-	12 005	10 845	-	-	-	-	-
B	NW396 Letkwa/Leame	17 268	18 403	19 627	-	-	-	-	6 700	6 700	-	-	-	-	-
B	NW397 Kgamo-Molepo	34 778	36 336	39 234	-	-	-	-	10 238	-	-	-	-	-	-
C	DC19 Dr Ruth Segomotsi Mompati District Municipality	159 483	167 583	182 691	-	-	-	-	-	-	-	-	-	-	-
<b>Total: Dr Ruth Segomotsi Mompati District Municipality</b>															
B	NW403 City of Mafeseng	112 804	107 920	117 440	-	-	-	-	2 924	10 500	-	-	-	50 000	59 000
B	NW404 Mafeseng Hill	32 351	33 782	36 444	-	-	-	-	10 243	12 500	-	-	-	30 000	39 000
B	NW405 JB Marks	77 712	81 515	88 593	-	-	-	-	-	-	-	-	-	55 855	60 815
C	DC10 Dr Kenneth Kaunda District Municipality	222 867	223 217	242 477	-	-	-	-	13 167	22 500	-	-	-	129 996	144 855
<b>Total: Dr Kenneth Kaunda District Municipality</b>															
<b>Total: North West Municipalities</b>															

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

Category	Municipality	Municipal Infrastructure Grant		Municipal Disaster Recovery 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	
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>WESTERN CAPE</b>															
A	CPT City of Cape Town	-	-	-	-	7 000	7 000	8 500	-	-	-	-	-	-	-
B	WC001 Matieland	24 210	25 215	-	-	-	-	-	11 500	-	-	-	-	-	-
B	WC002 Cederberg	17 998	18 257	-	-	-	-	-	10 000	-	-	-	-	-	-
B	WC003 Beaufort West	16 298	16 889	-	-	-	-	-	9 000	-	-	-	-	-	-
B	WC004 Saldanha Bay	22 126	23 021	-	-	-	-	-	3 300	-	-	-	-	-	-
B	WC005 Swardland	29 332	25 343	-	-	-	-	-	23 100	-	-	-	-	-	-
B	WC006 West Coast District Municipality	108 725	116 470	-	-	-	-	-	35 400	-	-	-	-	-	-
<b>Total: West Coast Municipalities</b>		25 630	26 709	-	-	3 500	4 000	5 000	660	-	-	-	-	-	-
B	WC002 Wizenberg	25 630	26 709	-	-	3 500	4 000	-	660	-	-	-	-	-	-
B	WC003 Dinkarstan	-	-	-	-	5 000	5 000	5 000	13 200	-	-	-	-	-	-
B	WC004 Stellenbosch	-	-	-	-	-	-	-	11 000	-	-	-	-	-	-
B	WC005 Breede Valley	39 790	41 609	-	-	-	-	-	14 620	-	-	-	-	-	-
B	WC006 Langeberg	25 096	26 147	-	-	-	-	-	2 980	-	-	-	-	-	-
C	DC2 Cape Winelands District Municipality	90 516	94 465	-	-	8 500	9 000	5 000	25 941	47 271	43 481	3 153	3 297	15 000	-
B	WC001 Theewaterskloof	30 320	31 645	-	-	-	-	-	5 000	6 000	6 000	-	-	5 000	-
B	WC002 Overstrand	25 165	26 220	-	-	-	-	-	13 200	9 551	9 800	-	-	8 000	-
B	WC003 Cape Agulhas	17 101	14 472	-	-	3 000	4 000	-	1 320	2 000	-	-	-	10 000	-
B	WC004 Swellendam	13 184	13 612	-	-	-	-	-	4 975	3 300	-	-	-	10 000	-
<b>Total: Overberg District Municipality</b>		85 770	89 949	-	-	3 000	4 000	-	30 222	19 520	20 551	2 974	3 249	33 000	-
B	WC001 Kammanland	11 917	11 542	-	-	-	-	-	660	700	-	-	-	9 000	-
B	WC002 Hessequa	15 246	15 782	-	-	-	-	-	3 300	3 000	-	-	-	10 000	-
B	WC003 Mossel Bay	27 563	28 743	-	-	-	-	-	5 000	5 000	-	-	-	-	-
B	WC004 George	-	-	-	-	-	-	-	5 000	4 000	-	-	-	4 000	-
B	WC005 Oudtshoorn	24 733	25 765	-	-	-	-	-	3 960	5 000	-	-	-	12 000	-
B	WC007 Bliou	22 874	23 809	-	-	-	-	-	3 960	5 000	-	-	-	12 000	-
B	WC008 Knysna	28 852	29 815	-	-	-	-	-	9 900	9 000	-	-	-	10 000	-
C	DC4 Garden Route District Municipality	130 215	135 456	-	-	-	-	-	15 760	9 900	2 721	2 843	2 973	10 000	45 000
<b>Total: Garden Route Municipalities</b>		6 919	7 020	-	-	-	-	4 000	31 780	31 700	2 721	2 843	2 973	47 000	80 000
B	WC001 Langesburg	6 919	7 020	-	-	-	-	-	2 000	3 000	-	-	-	5 000	16 000
B	WC002 Prince Albert	8 032	8 191	-	-	-	-	4 192	2 000	3 000	-	-	-	14 200	5 000
B	WC003 Beaufort West	15 643	16 199	-	-	-	-	-	3 692	5 000	-	-	-	15 000	17 000
C	DC5 Central Karoo District Municipality	30 594	31 410	-	-	-	-	-	7 092	7 092	-	-	-	22 000	16 000
<b>Total: Central Karoo Municipalities</b>		446 659	454 005	-	-	18 500	20 000	21 692	145 508	161 663	156 973	13 709	14 522	144 200	161 000
<b>Total: Western Cape Municipalities</b>		17 054 855	17 927 319	-	-	235 700	246 260	257 542	1 746 436	1 097 076	1 654 605	120 646	126 051	3 882 383	4 218 561
Unallocated		-	452 000	-	-	-	-	-	-	-	-	-	-	-	-
<b>Nettional Total</b>		17 054 855	17 927 319	741 003	708 974	-	-	-	1 746 436	1 097 076	1 654 605	120 646	126 051	3 882 383	4 218 561

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		Neighbourhood Development Partnership Grant (Capital)		Informal Settlements Upgrading Partnership Grant: Municipalities		Urban Settlements Development Grant		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	
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>EASTERN CAPE</b>													
A	BUF Buffalo City	-	-	55 655	25 000	28 700	304 707	318 357	332 943	-	-	902 601	1 024 905
A	NMA Nelson Mandela Bay	-	-	17 213	25 000	35 000	361 684	377 887	395 200	339 948	1 797 180	1 548 426	
B	EC101 Dr Beyers Naudé	-	-	-	-	-	-	-	-	-	71 875	73 165	
B	EC102 Blue Crane Route	-	-	-	-	-	-	-	-	-	56 695	45 646	
B	EC104 Makana	-	-	-	-	-	-	-	-	-	47 658	58 314	
B	EC105 Ndlambe	-	-	-	-	-	-	-	-	-	63 838	67 165	
B	EC106 Sundays River Valley	-	-	-	-	-	-	-	-	-	59 645	62 513	
B	EC108 Kouga	-	-	-	-	-	-	-	-	-	54 702	57 838	
B	EC109 Kou-Kamma	-	-	-	-	-	-	-	-	-	42 718	38 071	
C	DC10 Sarah Baartman District Municipality	-	-	-	-	-	-	-	-	-	2 514	2 746	
<b>Total: Sarah Baartman Municipalities</b>													
B	EC121 Mbashe	-	-	-	-	-	-	-	-	-	105 524	111 113	
B	EC122 Mquma	-	-	-	-	-	-	-	-	-	81 081	95 509	
B	EC123 Great Kei	-	-	-	-	-	-	-	-	-	12 436	20 085	
B	EC124 Amathole	-	-	-	-	-	-	-	-	-	61 408	61 336	
B	EC126 Ngqobha	-	-	-	-	-	-	-	-	-	48 066	53 720	
B	EC129 Raymond Mhlaba	-	-	-	-	-	-	-	-	-	73 523	83 824	
C	DC12 Amathole District Municipality	-	-	-	-	-	-	-	-	-	574 334	622 443	
<b>Total: Amathole Municipalities</b>													
B	EC131 Joxaba Yehenhamba	-	-	-	-	-	-	-	-	-	32 976	38 533	
B	EC135 Intsika Yehu	-	-	-	-	-	-	-	-	-	98 076	92 561	
B	EC136 Emsheleni	-	-	-	-	-	-	-	-	-	115 393	85 275	
B	EC137 Dr. A.B. Xuma	-	-	-	-	-	-	-	-	-	101 851	80 827	
B	EC138 Sakhoswe	-	-	-	-	-	-	-	-	-	71 339	63 021	
B	EC139 Enchisi Mqijana	-	-	-	-	-	-	-	-	-	119 729	106 429	
C	DC13 Chris Hani District Municipality	-	-	-	-	-	-	-	-	-	555 767	527 847	
<b>Total: Chris Hani Municipalities</b>													
B	EC141 Ethundini	-	-	-	-	-	-	-	-	-	58 334	65 490	
B	EC142 Senqu	-	-	-	-	-	-	-	-	-	56 904	50 170	
B	EC145 Walter Sisulu	-	-	-	-	-	-	-	-	-	31 587	32 358	
C	DC14 Joe Gqabi District Municipality	-	-	-	-	-	-	-	-	-	293 214	358 104	
<b>Total: Joe Gqabi Municipalities</b>													
B	EC153 Nqunza Hill	-	-	-	-	-	-	-	-	-	90 087	83 002	
B	EC154 Port St Johns	-	-	-	-	-	-	-	-	-	96 773	87 320	
B	EC155 Nontonteni	-	-	1 000	5 000	1 000	-	-	-	-	125 448	125 969	
B	EC156 Mfundo	-	-	-	-	-	-	-	-	-	90 504	94 107	
B	EC157 King Shikama Dalindyebo	-	-	-	-	-	-	-	-	-	139 715	166 347	
C	DC15 O.R. Tambo District Municipality	-	-	1 000	5 000	2 000	-	-	-	-	1 121 964	1 152 145	
<b>Total: O.R. Tambo Municipalities</b>													
B	EC441 Matielale	-	-	-	-	-	-	-	-	-	108 774	104 877	
B	EC442 Unzwayabo	-	-	-	-	-	-	-	-	-	103 775	103 620	
B	EC443 Winnie Madikizela-Mandela	-	-	-	1 000	-	-	-	-	-	81 874	76 386	
B	EC444 Ntabankulu	-	-	-	-	-	-	-	-	-	72 524	64 403	
C	DC44 Alfred Nzo District Municipality	-	-	-	-	-	-	-	-	-	543 326	546 762	
<b>Total: Alfred Nzo Municipalities</b>													
<b>Total: Eastern Cape Municipalities</b>		-	-	73 868	56 000	66 700	666 391	696 244	728 143	339 948	333 476	8 257 631	8 034 650







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		Neighbourhood Development Partnership Grant (Capita)		Informal Settlement Upgrading Partnership Grant - Municipalities		Urban Settlements Development Grant		Public Transport Network Grant		SUB-TOTAL: INFRASTRUCTURE	
		2022/23 (R'000)	2023/26 (R'000)	2022/23 (R'000)	2023/26 (R'000)	2022/23 (R'000)	2023/26 (R'000)	2022/23 (R'000)	2023/26 (R'000)	2022/23 (R'000)	2023/26 (R'000)	2022/23 (R'000)	2023/26 (R'000)
<b>LIMPOPO</b>													
B	LM431 Greater Giyani	-	-	-	-	-	-	-	-	-	-	93 192	96 624
B	LM432 Greater Letaba	-	-	-	-	-	-	-	-	-	-	100 064	100 064
B	LM433 Greater Ermeleni	-	-	-	-	-	-	-	-	-	-	102 371	82 259
B	LM434 Greater Tzaneen	-	-	-	-	-	-	-	-	-	-	150 253	125 866
B	LM435 Bhephalaborwa	-	-	-	-	-	-	-	-	-	-	41 955	47 097
B	LM436 Mankweng	-	-	-	-	-	-	-	-	-	-	46 761	32 268
B	LM437 Middelburg	-	-	-	-	-	-	-	-	-	-	575 141	554 435
C	DC33 Mopani District Municipality	-	-	-	-	-	-	-	-	-	-	1 009 673	938 549
<b>Totals: Mopani Municipalities</b>													
B	LM434 Mmaba	-	-	-	-	-	-	-	-	-	-	33 559	41 653
B	LM435 Mmabana	-	-	-	-	-	-	-	-	-	-	152 189	151 913
B	LM436 Mmabathata	-	-	-	-	-	-	-	-	-	-	124 002	125 716
B	LM437 Mmabeng	-	-	-	-	-	-	-	-	-	-	15 624	114 506
B	LM438 Mmabeng	-	-	-	-	-	-	-	-	-	-	65 261	52 901
C	DC34 Mopani District Municipality	-	-	-	-	-	-	-	-	-	-	1 101 008	1 186 391
<b>Totals: Mopani Municipalities</b>													
B	LM431 Botsburg	-	-	-	-	-	-	-	-	-	-	67 485	84 932
B	LM432 Molekane	-	-	-	-	-	-	-	-	-	-	62 750	55 894
B	LM433 Polokwane	4 113 544	4 191 111	454 557	44 984	42 500	42 500	267 249	208 849	202 391	202 391	945 128	892 154
B	LM434 Lepelle-Nkomo	-	-	-	-	-	-	-	-	-	-	68 317	76 853
C	DC35 Capricorn District Municipality	4 113 544	4 191 111	454 557	44 984	42 500	42 500	267 249	208 849	202 391	202 391	375 940	362 725
<b>Totals: Capricorn Municipalities</b>													
B	LM434 Thabazimbi	-	-	-	-	-	-	-	-	-	-	38 157	57 891
B	LM435 Lephalale	-	-	-	-	-	-	-	-	-	-	93 572	104 213
B	LM436 Bela-Bela	-	-	-	-	-	-	-	-	-	-	94 947	105 921
B	LM437 Mogalakwena	-	-	-	-	-	-	-	-	-	-	241 516	270 722
B	LM438 Mookimole-Mookgopong	-	-	-	-	-	-	-	-	-	-	67 626	67 626
C	DC36 Mookimole-Mookgopong District Municipality	-	-	-	-	-	-	-	-	-	-	2 393	2 393
<b>Totals: Mookimole-Mookgopong District Municipality</b>													
B	LM471 Ephraim Mogale	-	-	-	-	-	-	-	-	-	-	49 410	42 544
B	LM472 Ehlers Meschede	-	-	-	-	-	-	-	-	-	-	95 858	78 173
B	LM473 Makhadshagan	-	-	-	-	-	-	-	-	-	-	85 289	89 607
B	LM476 Fetakgomo Tabase	-	-	-	-	1 000	-	-	-	-	-	133 426	132 237
C	DC37 Sekhukhune District Municipality	-	-	-	-	-	-	-	-	-	-	989 072	968 901
<b>Totals: Sekhukhune District Municipality</b>													
<b>Totals: Limpopo Municipalities</b>													
		4 113 544	4 191 111	454 557	61 409	47 320	49 500	267 249	208 849	202 391	202 391	5 124 739	5 171 143
<b>MPUMALANGA</b>													
B	MP201 Chief Albert Luthuli	-	-	-	-	-	-	-	-	-	-	485 693	475 793
B	MP202 Mookgweetsa	-	-	-	-	-	-	-	-	-	-	186 971	236 579
B	MP203 Mookeng	-	-	-	-	-	-	-	-	-	-	142 712	122 807
B	MP204 Dr Polley ka Isaka Seme	-	-	-	-	-	-	-	-	-	-	103 151	80 466
B	MP205 Lekwa	-	-	-	-	-	-	-	-	-	-	51 771	49 431
B	MP206 Dipaleseng	-	-	-	-	-	-	-	-	-	-	35 721	32 874
B	MP207 Govan Mbeki	-	-	-	-	-	-	-	-	-	-	117 651	88 799
C	DC30 Gert Shabane District Municipality	-	-	-	-	-	-	-	-	-	-	2 597	2 713
<b>Totals: Gert Shabane District Municipality</b>													
B	MP211 Victor Khashe	-	-	-	-	-	-	-	-	-	-	53 420	29 645
B	MP212 Emmafeleni	-	-	-	-	-	-	-	-	-	-	190 759	188 425
B	MP213 Steve Tshwete	60 989	60 308	65 408	-	2 000	-	-	-	-	-	375 309	154 976
B	MP214 Emabuzeni	-	-	-	-	-	-	-	-	-	-	5 000	5 000
B	MP215 Phisoanane Hani	-	-	-	-	1 000	-	-	-	-	-	217 632	229 651
B	MP216 Dr S S M Nkomo	-	-	-	-	-	-	-	-	-	-	146 680	152 626
C	DC31 Nkomo District Municipality	60 989	60 308	65 408	-	3 000	-	-	-	-	-	7 447	7 556
<b>Totals: Nkomo District Municipality</b>													
B	MP221 Thaba Chweu	-	-	-	-	-	-	-	-	-	-	135 111	146 917
B	MP224 Nkomzi	-	-	-	-	-	-	-	-	-	-	352 784	364 563
B	MP225 Bushbuckridge	20 659	12 349	20 000	35 000	1 000	30 000	-	-	-	-	547 920	575 831
B	MP226 City of Mvumba	-	-	-	-	-	-	-	-	-	-	469 088	496 423
C	DC32 Ehlangeni District Municipality	20 659	12 349	20 000	35 000	1 000	30 000	-	-	-	-	2 639	2 757
<b>Totals: Ehlangeni District Municipality</b>													
		80 989	60 308	65 408	40 659	47 349	32 000	-	-	-	-	1 507 542	1 586 491
<b>Totals: Mpumalanga Municipalities</b>													
		80 989	60 308	65 408	40 659	47 349	35 000	-	-	-	-	3 479 848	3 561 290

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

Category	Municipality	Integrated Urban Development Grant		Neighbourhood Development Partnership Grant (C-uptad)		Informal Settlements Upgrading Partnership Grant: Municipalities		Urban Settlements Development Grant		Public Transport Network Grant		SUB-TOTAL: INFRASTRUCTURE	
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>NORTHERN CAPE</b>													
B	NC061 Richtersveld	-	-	-	-	-	-	-	-	-	-	26 615	27 555
B	NC062 Nam Ekoi	-	-	-	-	-	-	-	-	-	-	38 866	44 328
B	NC064 Kamiesberg	-	-	-	-	-	-	-	-	-	-	9 561	9 541
B	NC065 Hanam	-	-	-	-	-	-	-	-	-	-	124 376	29 784
B	NC066 Karoo Hoogland	-	-	-	-	-	-	-	-	-	-	31 419	40 723
B	NC067 Kklai-Ma	-	-	-	-	-	-	-	-	-	-	21 198	30 557
C	DC6 Namakwa District Municipality	-	-	-	-	-	-	-	-	-	-	3 258	3 484
<b>Total: Namakwa Municipalities</b>													
B	NC071 Umtou	-	-	-	-	-	-	-	-	-	-	30 872	31 319
B	NC072 Umsobomvu	-	-	-	-	-	-	-	-	-	-	20 110	29 396
B	NC073 Enthanjan	-	-	-	-	-	-	-	-	-	-	44 488	49 439
B	NC074 Kareeberg	-	-	-	-	-	-	-	-	-	-	10 286	11 909
B	NC076 Transkei	-	-	-	-	-	-	-	-	-	-	10 286	9 684
B	NC077 Sphingweni	-	-	-	-	-	-	-	-	-	-	24 275	14 488
B	NC078 Sitsama	-	-	-	-	-	-	-	-	-	-	20 710	18 639
C	DC7 Prtyeka Sene District Municipality	-	-	-	-	-	-	-	-	-	-	26 620	24 744
<b>Total: Prtyeka Sene District Municipality</b>													
B	NC082 Khai Garib	-	-	-	-	-	-	-	-	-	-	193 681	192 862
B	NC084 Kheis	-	-	-	-	-	-	-	-	-	-	33 050	33 548
B	NC085 Tsamtsaba	-	-	-	-	-	-	-	-	-	-	21 662	13 731
B	NC086 Kgetlopele	-	-	-	-	-	-	-	-	-	-	30 825	40 139
B	NC087 David Krupar	-	-	30 000	4 000	-	-	-	-	-	-	38 610	10 647
C	DC8 Z.F. Mgweni District Municipality	-	-	-	-	-	-	-	-	-	-	69 920	61 886
<b>Total: Z.F. Mgweni District Municipality</b>													
B	NC091 Sed Phatjhe	75 229	60 404	20 000	5 000	-	-	-	-	-	-	197 284	168 824
B	NC092 Dikgatlong	-	-	2 000	30 000	-	-	-	-	-	-	572 229	657 984
B	NC093 Maseru	-	-	-	-	-	-	-	-	-	-	22 097	28 602
B	NC094 Phokwane	-	-	-	-	-	-	-	-	-	-	42 258	23 628
C	DC9 Frances Baard District Municipality	75 229	60 404	2 000	30 000	-	-	-	-	-	-	75 501	70 281
<b>Total: Frances Baard District Municipality</b>													
B	NC451 Joe Murolog	-	-	-	-	-	-	-	-	-	-	129 216	128 894
B	NC452 Ga-Segonyana	-	-	1 000	10 000	-	-	-	-	-	-	150 688	118 460
B	NC453 Gamaqaba	-	-	-	-	-	-	-	-	-	-	42 974	43 575
C	DC35 John Tshepo Gcwetele District Municipality	-	-	1 000	10 000	-	-	-	-	-	-	2 226	2 326
<b>Total: John Tshepo Gcwetele District Municipality</b>													
B	NC454 Joe Murolog	-	-	31 000	23 000	-	-	-	-	-	-	325 104	292 255
<b>Total: Northern Cape Municipalities</b>													
<b>NORTHWEST</b>													
B	NW371 Moreak	-	-	-	-	-	-	-	-	-	-	718 914	787 370
B	NW372 Mudgeburg	-	-	-	-	-	-	-	-	-	-	129 216	128 894
B	NW373 Rustenburg	-	-	12 500	13 379	-	-	-	-	-	-	150 688	118 460
B	NW374 Kgetlengrivier	-	-	-	-	-	-	-	-	-	-	42 974	43 575
B	NW375 Moss Koelme	-	-	-	-	-	-	-	-	-	-	2 226	2 326
C	DC37 Bojanala Platinum District Municipality	-	-	12 500	13 379	2 000	-	-	-	-	-	325 104	292 255
<b>Total: Bojanala Platinum District Municipality</b>													
B	NW381 Ralou	-	-	-	-	-	-	-	-	-	-	1 662 332	1 621 122
B	NW382 Tswaing	-	-	-	-	-	-	-	-	-	-	208 616	221 906
B	NW383 Dikgatlong	-	-	-	-	-	-	-	-	-	-	354 202	365 965
B	NW384 Dikgatlong	-	-	2 000	5 000	1 000	-	-	-	-	-	640 297	661 057
B	NW385 Ramotsebe-Moiloa	-	-	-	-	-	-	-	-	-	-	39 532	38 815
C	DC38 Ntshaba-Moiloa District Municipality	-	-	2 000	5 000	-	-	-	-	-	-	254 483	268 347
<b>Total: Ntshaba-Moiloa District Municipality</b>													
B	NW392 Naledi	-	-	-	-	-	-	-	-	-	-	407 457	625 866
B	NW393 Mamas	-	-	-	-	-	-	-	-	-	-	54 448	31 203
B	NW394 Greater Tsam	-	-	-	-	-	-	-	-	-	-	27 723	30 393
B	NW396 LeKwe-Feemane	-	-	-	-	-	-	-	-	-	-	72 316	58 263
B	NW397 Kagisano-Molopo	-	-	-	-	-	-	-	-	-	-	39 186	21 268
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	-	-	-	-	-	-	-	-	-	-	38 778	39 336
<b>Total: Dr Ruth Segomotsi Mompati District Municipality</b>													
B	NW403 City of Maseru	-	-	20 162	30 000	44 219	-	-	-	-	-	871 010	888 747
B	NW404 Matiel Hills	-	-	-	-	-	-	-	-	-	-	207 920	235 159
B	NW405 JB Marks	-	-	5 000	1 000	-	-	-	-	-	-	62 351	67 782
C	DC40 Dr Kenneth Kaunda District Municipality	-	-	31 162	31 000	45 219	-	-	-	-	-	142 951	150 870
<b>Total: Dr Kenneth Kaunda District Municipality</b>													
<b>Total: North West Municipalities</b>													

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		Neighbourhood Development Partnership Grant (Capital)		Informal Settlements Upgrading Partnership Grant: Municipalities		Urban Settlements Development Grant		Public Transport Network Grant		SUB-TOTAL: INFRASTRUCTURE	
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>WESTERN CAPE</b>													
A	CPT City of Cape Town	-	-	160 237	30 000	47 616	592 962	1 041 825	1 088 295	2 499 216	2 998 224	4 301 340	4 743 046
B	WC011 Matieland	-	-	-	-	-	-	-	-	-	-	26 061	35 215
B	WC012 Cederberg	-	-	-	-	-	-	-	-	-	-	41 067	67 257
B	WC013 Bergvliet	-	-	-	-	-	-	-	-	-	-	26 912	33 189
B	WC014 Saldanha Bay	-	-	-	-	-	-	-	-	-	-	45 487	33 021
B	WC015 Swartland	-	-	-	-	-	-	-	-	-	-	52 150	48 443
C	DC1 West Coast District Municipality	-	-	-	-	-	-	-	-	-	-	2 840	2 967
<b>Total: West Coast Municipalities</b>		-	-	-	-	-	-	-	-	-	-	<b>194 517</b>	<b>220 092</b>
B	WC022 Wizenberg	-	-	-	-	-	-	-	-	-	-	44 120	31 369
B	WC023 Driesteen	60 815	42 176	30 000	15 000	1 000	-	-	-	-	-	694 155	560 376
B	WC024 Stellenbosch	64 495	42 969	46 603	-	-	-	-	-	-	-	74 551	58 969
B	WC025 Brede Valley	-	-	-	-	-	-	-	-	-	-	54 410	61 040
B	WC026 Langberg	-	-	1 000	1 000	-	-	-	-	-	-	29 021	30 127
C	DC2 Cape Winelands District Municipality	-	-	-	-	-	-	-	-	-	-	3 018	3 153
<b>Total: Cape Winelands Municipalities</b>		<b>125 310</b>	<b>85 146</b>	<b>31 000</b>	<b>16 000</b>	<b>2 000</b>	-	-	-	-	-	<b>899 285</b>	<b>745 035</b>
B	WC031 Theewaterskloof	-	-	-	-	-	-	-	-	-	-	41 233	36 645
B	WC032 Overstrand	-	-	-	-	-	-	-	-	-	-	52 499	48 120
B	WC033 Cape Agulhas	-	-	-	-	-	-	-	-	-	-	27 001	20 792
B	WC034 Swellendam	-	-	-	-	-	-	-	-	-	-	31 159	20 912
C	DC3 Overberg District Municipality	-	-	-	-	-	-	-	-	-	-	2 974	3 249
<b>Total: Overberg Municipalities</b>		-	-	-	-	-	-	-	-	-	-	<b>154 966</b>	<b>129 576</b>
B	WC041 Kamahlid	-	-	-	-	-	-	-	-	-	-	20 217	22 202
B	WC042 Hessequa	-	-	-	-	-	-	-	-	-	-	19 408	19 779
B	WC043 Mossel Bay	-	-	-	-	-	-	-	-	-	-	27 865	33 743
B	WC044 George	60 837	48 350	5 000	1 000	1 000	-	-	-	184 733	143 751	548 570	198 101
B	WC045 Outshoorn	-	-	-	-	-	-	-	-	-	-	36 733	29 725
B	WC047 Bitou	-	-	-	-	-	-	-	-	-	-	34 874	41 769
B	WC048 Knysna	-	-	10 477	15 000	1 000	-	-	-	-	-	64 819	89 715
C	DC4 Garden Route District Municipality	-	-	-	-	-	-	-	-	-	-	2 721	2 843
<b>Total: Garden Route Municipalities</b>		<b>60 837</b>	<b>48 350</b>	<b>15 477</b>	<b>16 000</b>	<b>2 000</b>	-	-	-	<b>184 733</b>	<b>143 751</b>	<b>754 905</b>	<b>437 180</b>
B	WC051 Langsburg	-	-	-	-	-	-	-	-	-	-	21 128	14 020
B	WC052 Prince Albert	-	-	-	-	-	-	-	-	-	-	23 032	27 191
B	WC053 Beaufort West	-	-	-	-	-	-	-	-	-	-	22 953	19 891
C	DC5 Central Karoo District Municipality	-	-	-	-	-	-	-	-	-	-	2 156	2 252
<b>Total: Central Karoo Municipalities</b>		-	-	-	-	-	-	-	-	-	-	<b>69 269</b>	<b>63 354</b>
<b>Total: Western Cape Municipalities</b>		<b>186 147</b>	<b>133 495</b>	<b>206 714</b>	<b>62 000</b>	<b>51 616</b>	<b>592 962</b>	<b>1 041 825</b>	<b>1 088 295</b>	<b>2 684 049</b>	<b>3 141 975</b>	<b>6 374 282</b>	<b>6 338 282</b>
Unallocated		-	178 338	-	-	-	-	-	-	-	297 204	-	927 562
<b>National Total</b>		<b>1 145 564</b>	<b>1 202 173</b>	<b>1 290 552</b>	<b>669 249</b>	<b>699 910</b>	<b>4 515 194</b>	<b>8 705 124</b>	<b>9 249 964</b>	<b>7 473 434</b>	<b>8 084 074</b>	<b>50 918 064</b>	<b>52 604 106</b>
													<b>53 280 543</b>

**ANNEXURE W6**

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

**(National and Municipal Financial Years)**

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

Category	Municipality	Municipal Infrastructure Grant		Municipal Systems Improvement Grant		Integrated National Electrification Programme (Isibomi Grant)		Neighbourhood Development Partnership Grant (Technical Assistance)		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL: INDIRECT			
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
<b>EASTERN CAPE</b>																	
A	BUF Buffalo City	-	1 106	1 457	2 406	74 550	52 568	76 702	1 000	1 000	-	-	-	-	76 656	55 025	80 108
A	NMA Nelson Mandela Bay	-	2 215	1 457	2 406	-	-	-	2 000	2 000	-	-	-	4 215	3 457	4 406	
B	EC101 Dr Beyers Naude	-	-	-	-	-	365	5 669	-	-	-	-	-	-	-	365	5 669
B	EC102 Blue Crane Route	-	-	-	-	-	435	6 566	-	-	-	-	-	-	80 435	86 566	78 117
B	EC104 Mthatha	-	-	-	-	-	785	3 706	-	-	35 000	45 000	-	-	15 785	37 814	36 706
B	EC106 Saniwa River Valley	-	-	-	-	13 508	6 728	501	-	-	18 000	-	-	-	31 508	7 728	501
B	EC108 Kouga	-	-	-	-	6 845	365	152	-	-	300	-	-	-	7 145	365	152
B	EC109 Kwa-Karara	-	-	-	-	22 116	27 681	15 402	-	-	68 300	45 000	-	-	140 276	143 620	128 808
<b>Total: Sarah Baartman District Municipality</b>																	
B	EC121 Mbashe	-	-	-	-	23 612	29 348	60 429	-	-	-	-	-	-	23 612	29 348	60 429
B	EC122 Mquma	-	-	-	-	15 601	24 563	24 563	-	-	-	-	-	-	15 601	24 563	24 563
B	EC123 Great Kei	-	-	-	-	6 989	7 344	7 344	-	-	-	-	-	-	6 989	7 344	7 344
B	EC124 Amalathi	-	-	-	-	38 518	21 946	30 711	-	-	-	-	-	-	35 818	21 946	30 711
B	EC126 Ngqobela	-	-	-	-	667	4 511	4 511	-	-	-	-	-	-	667	4 511	4 511
B	EC129 Raymond Mhlaba	-	-	-	-	20 053	28 244	28 869	-	-	-	-	-	-	20 053	28 244	28 869
C	EC12 - Amathole District Municipality	-	1 175	1 457	2 406	96 103	112 752	154 427	-	-	89 682	125 166	100 401	-	90 857	126 623	102 807
<b>Total: Amathole Municipalities</b>																	
B	EC131 Inxuba Yethemba	-	-	-	-	11 712	18 828	9 197	-	-	-	-	-	-	11 712	18 828	9 197
B	EC135 Intsika Yethu	-	-	-	-	1 874	457	2 292	-	-	-	-	-	-	1 874	457	2 292
B	EC136 Emahlileni	-	-	-	-	4 143	20 880	8 229	-	-	-	-	-	-	4 143	20 880	8 229
B	EC137 Dr. A.B. Xuma	-	-	-	-	15 737	9 925	2 291	-	-	-	-	-	-	13 737	9 925	2 291
B	EC138 Sakhisizwe	-	-	-	-	31 409	28 876	6 723	-	-	-	-	-	-	31 409	28 876	6 723
B	EC139 Enoch Mgijima	-	-	-	-	62 875	78 966	92 240	-	-	-	-	-	-	64 875	81 966	95 046
<b>Total: Chris Hani District Municipality</b>																	
B	EC141 Elundini	-	-	-	-	16 495	11 397	6 988	-	-	-	-	-	-	16 495	11 397	6 988
B	EC142 Senjani	-	-	-	-	1 917	17 491	8 875	-	-	-	-	-	-	1 917	17 491	8 875
B	EC145 Walter Sisulu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	EC14 - Joe Gqabi District Municipality	-	1 175	1 457	2 406	18 412	28 888	15 843	-	-	-	-	-	-	1 175	1 457	2 406
<b>Total: Joe Gqabi Municipalities</b>																	
B	EC153 Ngqiza Hill	-	-	-	-	14 535	20 564	32 525	-	-	-	-	-	-	14 535	20 564	32 525
B	EC154 Port St Johns	-	-	-	-	5 847	9 358	9 358	-	-	-	-	-	-	5 847	9 358	9 358
B	EC155 Nyandeni	-	-	-	-	56 669	36 405	56 383	1 000	100	-	-	-	-	57 669	36 505	56 483
B	EC156 Mthombo	-	-	-	-	26 308	17 880	8 996	-	-	-	-	-	-	26 308	17 880	8 996
B	EC157 King Sabata Dalindyebo	-	-	-	-	61 600	42 597	20 668	1 000	1 000	-	-	-	-	62 600	43 597	20 768
C	EC15 - O.R. Tambo District Municipality	-	11 673	10 907	11 856	164 959	121 903	127 930	2 000	200	-	-	-	-	178 623	133 910	139 986
<b>Total: O.R. Tambo Municipalities</b>																	
B	EC441 Matielie	-	-	-	-	31 415	30 045	16 033	-	-	-	-	-	-	31 415	30 045	16 033
B	EC442 Umtombu	-	-	-	-	5 707	33 605	36 177	-	-	-	-	-	-	5 707	33 605	36 177
B	EC443 Wime Mankizela-Mankela	-	-	-	-	19 677	28 242	23 862	1 500	100	-	-	-	-	21 177	28 342	23 962
B	EC444 Ntshonalu	-	-	-	-	14 068	5 073	6 293	-	-	-	-	-	-	14 068	5 073	6 293
C	EC4 - Alfred Nzo District Municipality	-	1 175	1 457	2 406	79 867	96 963	82 365	1 500	100	159 441	139 750	165 028	-	160 616	141 207	167 434
<b>Total: Alfred Nzo Municipalities</b>																	
<b>Total: Eastern Cape Municipalities</b>																	
		-	24 354	24 005	28 698	509 882	519 723	568 909	6 500	4 200	317 423	330 916	331 429	45 000	903 359	925 844	974 346

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

Category	Municipality	Municipal Infrastructure Grant		Municipal Systems Improvement Grant		Integrated National Electrification Programme (Urban Grant)		Neighbourhood Development Partnership Grant (Technical Assistance)		Regional Risk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL: INDIRECT				
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	
<b>FREE STATE</b>																		
A	MAN: Mangungu	-	-	2 215	1 457	2 406	2 947	1 824	27	500	500	-	-	-	5 662	3 781	2 033	
B	FS161: Letsemeng	-	-	-	-	-	65	-	-	-	-	-	-	-	65	-	-	
B	FS162: Kopaong	-	-	-	-	-	33	-	-	-	-	-	-	-	33	10 000	10 000	
B	FS163: Mokokare	-	-	-	-	-	33	-	-	-	-	-	-	-	33	10 000	10 000	
C	DC-18: Mankweng District Municipality	-	-	2 488	2 617	2 406	1 31	-	-	-	-	-	-	-	2 488	2 617	2 406	
	<b>Total: Free State Municipalities</b>	-	-	2 488	2 617	2 406	1 31	-	-	-	-	-	-	-	2 488	2 617	2 406	
B	FS181: Madibonana	-	-	-	-	-	33	-	-	-	-	-	-	-	33	54 000	52 300	
B	FS182: Tsoelike	-	-	-	-	-	33	-	-	-	-	-	-	-	33	50 000	62 760	
B	FS183: Tsoelike	-	-	65	153	-	14 121	4 917	-	1 500	100	-	-	-	21 621	153	-	
B	FS184: Matlhabang	-	-	-	-	-	49	-	-	-	-	-	-	-	49	255 017	184 799	
B	FS185: Naha	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC-18: Letlapedisana District Municipality	-	-	2 583	1 457	2 406	14 301	5 070	-	1 500	100	-	-	-	2 583	1 457	2 406	
	<b>Total: Lepellekopona Municipalities</b>	-	-	2 583	1 457	2 406	14 301	5 070	-	1 500	100	-	-	-	2 583	1 457	2 406	
B	FS191: Setsoo	-	-	-	-	-	7 163	2 526	1 198	-	-	-	-	-	47 163	2 526	1 198	
B	FS192: Dhlabeng	-	-	-	-	-	371	5 063	-	-	-	-	-	-	50 371	65 063	71 285	
B	FS193: Nkomoa	-	-	-	-	-	65	7 891	9 752	-	-	-	-	-	75 065	117 891	170 322	
B	FS194: Matlasi-Phofung	-	-	-	-	-	19 348	25 960	16 706	1 000	1 000	-	-	-	162 129	174 331	167 915	
B	FS195: Phumela	-	-	-	-	-	147	405	832	-	-	-	-	-	147	405	832	
B	FS196: Mantsoya	-	-	-	-	-	11 450	3 034	685	-	-	-	-	-	14 450	3 034	685	
C	DC-19: Thabo Mofutsanyane District Municipality	-	-	2 488	4 034	2 406	38 564	44 879	39 458	1 000	1 000	-	-	-	2 488	4 034	2 406	
	<b>Total: Thabo Mofutsanyane Municipalities</b>	-	-	2 488	4 034	2 406	38 564	44 879	39 458	1 000	1 000	-	-	-	2 488	4 034	2 406	
B	FS200: Mophala	-	-	-	-	-	15 717	5 259	6 648	-	-	-	-	-	55 717	14 259	6 648	
B	FS203: Ngwanhe	-	-	-	-	-	-	-	-	-	-	-	-	-	1 500	100	100	
B	FS204: Metemaholo	-	-	-	-	-	-	-	-	1 500	100	-	-	-	35 568	20 000	30 000	
B	FS205: Matlabe	-	-	-	-	-	-	-	-	-	-	-	-	-	2 568	4 034	2 406	
C	DC-20: Ezile Tshi District Municipality	-	-	2 568	4 034	2 406	12 717	5 259	6 648	1 500	100	-	-	-	2 568	4 034	2 406	
	<b>Total: Ezile Tshi District Municipality</b>	-	-	2 568	4 034	2 406	12 717	5 259	6 648	1 500	100	-	-	-	2 568	4 034	2 406	
	<b>Total: Free State Municipalities</b>	-	-	12 342	13 509	12 030	69 660	57 032	46 133	4 500	1 700	-	-	-	12 342	13 509	12 030	
<b>GAUTENG</b>																		
A	ERU: City of Ekurhuleni	-	-	1 260	1 457	2 406	24 030	17 944	27 391	6 000	8 000	-	-	-	31 290	27 401	37 797	
A	JHB: City of Johannesburg	-	-	1 260	1 457	2 406	23 819	2 051	32 820	4 500	6 000	-	-	-	29 579	9 508	41 226	
A	TSH: City of Tshwane	-	-	1 106	1 457	2 406	1 502	2 988	9 350	4 500	6 000	-	-	-	7 108	10 445	17 756	
B	GT421: Emaleni	38 309	-	-	-	-	47	11 369	254	100	100	-	-	-	58 519	626 506	661 569	
B	GT422: Midrand	-	-	-	-	-	-	-	-	100	100	-	-	-	94 100	85 100	100	
B	GT423: Lee Rd	-	-	-	-	-	-	-	-	2 000	100	-	-	-	2 800	100	100	
C	DC-42: Sediberg District Municipality	-	-	1 591	2 874	2 406	-	-	-	-	-	-	-	-	1 591	2 874	2 406	
	<b>Total: Sediberg Municipalities</b>	38 309	-	1 591	2 874	2 406	47	11 369	254	300	300	-	-	-	60 310	714 580	664 175	
B	GT481: Mogale City	-	-	-	-	-	26 459	25 910	3 840	17 790	38 840	-	-	-	72 674	100 583	88 656	
B	GT484: Memfontein City	-	-	-	-	-	434	92	3 312	92	-	-	-	-	434	92	3 312	
B	GT485: Rossouw West City	-	-	-	-	-	3 274	10 295	4 304	100	100	-	-	-	63 374	70 395	104 404	
C	DC-38: West Rand District Municipality	-	-	3 276	4 034	2 406	30 167	36 297	11 456	17 990	39 840	-	-	-	1 40 308	175 204	198 878	
	<b>Total: West Rand Municipalities</b>	-	-	3 276	4 034	2 406	30 167	36 297	11 456	17 990	39 840	-	-	-	1 40 308	175 204	198 878	
	<b>Total: Gauteng Municipalities</b>	38 309	-	8 943	11 279	12 030	79 565	70 644	81 271	35 190	59 540	-	-	-	901 295	937 138	959 823	

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

Category	Municipality	Municipal Infrastructure Grant		Municipal Systems Improvement Grant		Integrated National Electrification Programme (Edison Grant)		Neighbourhood Development Partnership Grants (Technical Assistance)		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL: (INDIRECT)*	
		2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2024/25 (R'000)	2025/26 (R'000)
<b>KWAZULU-NATAL</b>															
A	ETH eThekweni	-	10 710	15 707	16 577	300	14 065	-	1 500	1 500	-	-	12 510	31 272	18 077
B	KZN212 uMdloti	-	-	-	-	32 975	26 528	14 892	-	-	-	-	32 975	26 528	14 892
B	KZN213 uMhlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN214 uMzantsi	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN216 Ray Nkonyeni	-	-	-	-	4 230	2 754	30 660	1 000	1 000	-	-	5 230	2 854	30 760
C	DC21 Ugu District Municipality	-	2 546	1 457	2 406	37 205	29 252	45 542	1 000	1 000	-	-	2 546	1 457	2 406
	<b>Total Ugu Municipalities</b>	-	2 546	1 457	2 406	37 205	29 252	45 542	1 000	1 000	-	-	2 546	1 457	2 406
B	KZN223 uMkwazi	-	-	-	-	300	943	-	-	-	-	-	300	943	-
B	KZN225 uMgungu	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN226 uMhlabathazi	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN228 uMhlabeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN229 uMthatha	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN232 uManteni	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN234 uMhlabhe	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN235 uMkhumbane	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN236 uMkhumbane	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN237 uMkhumbane	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC22 uManteni District Municipality	-	2 583	1 457	2 406	35 503	27 653	25 128	1 000	1 000	-	-	27 600	30 110	28 542
	<b>Total uManteni District Municipality</b>	-	2 583	1 457	2 406	35 503	27 653	25 128	1 000	1 000	-	-	27 600	30 110	28 542
B	KZN238 uMhlabhe	-	-	-	-	10 737	43 005	12 532	-	-	-	-	10 737	43 005	12 532
B	KZN239 uMkhumbane	-	-	-	-	10 279	20 039	25 156	-	-	-	-	10 279	20 039	25 156
B	KZN240 uMkhumbane	-	-	-	-	17 480	3 717	9 865	2 000	1 000	-	-	19 480	3 817	9 465
C	DC23 uMkhumbane District Municipality	-	2 583	1 457	2 406	38 496	66 761	47 083	2 000	1 000	-	-	22 583	1 457	2 406
	<b>Total uMkhumbane District Municipality</b>	-	2 583	1 457	2 406	38 496	66 761	47 083	2 000	1 000	-	-	22 583	1 457	2 406
B	KZN241 uMhlabeni	-	-	-	-	-	-	9 048	-	-	-	-	-	-	9 048
B	KZN242 uMhlabeni	-	-	-	-	-	-	7 638	-	-	-	-	-	-	7 638
B	KZN244 uMhlabeni	-	-	-	-	3 831	13 211	4 603	-	-	-	-	3 831	13 211	4 603
B	KZN245 uMhlabeni	-	-	-	-	929	-	-	-	-	-	-	929	-	-
C	DC24 uMhlabeni District Municipality	-	1 260	1 457	2 406	4 760	13 211	24 115	-	-	-	-	1 260	1 457	2 406
	<b>Total uMhlabeni District Municipality</b>	-	1 260	1 457	2 406	4 760	13 211	24 115	-	-	-	-	1 260	1 457	2 406
B	KZN246 uMhlabeni	-	-	-	-	1 260	43 605	17 508	100	100	-	-	1 260	42 796	17 608
B	KZN247 uMhlabeni	-	-	-	-	4 881	9 977	5 994	-	-	-	-	4 881	9 977	5 994
B	KZN254 uMhlabeni	-	-	-	-	1 942	1 762	12 328	-	-	-	-	1 942	1 762	12 328
C	DC25 uMhlabeni District Municipality	-	1 260	2 874	2 406	9 092	48 454	38 830	100	100	-	-	1 260	2 874	2 406
	<b>Total uMhlabeni District Municipality</b>	-	1 260	2 874	2 406	9 092	48 454	38 830	100	100	-	-	1 260	2 874	2 406
B	KZN258 uMhlabeni	-	-	-	-	7 830	7 103	205	-	-	-	-	7 830	7 103	205
B	KZN259 uMhlabeni	-	-	-	-	1 366	20 747	9 660	-	-	-	-	1 366	20 747	9 660
B	KZN258 uMhlabeni	-	-	-	-	4 101	8 413	-	-	-	-	-	4 101	8 413	-
B	KZN259 uMhlabeni	-	-	-	-	9 935	27 900	28 732	-	-	-	-	9 935	27 900	28 732
C	DC26 uMhlabeni District Municipality	-	1 591	1 457	2 406	24 172	69 454	38 677	-	-	-	-	1 591	1 457	2 406
	<b>Total uMhlabeni District Municipality</b>	-	1 591	1 457	2 406	24 172	69 454	38 677	-	-	-	-	1 591	1 457	2 406
B	KZN261 uMhlabeni	-	-	-	-	66 201	27 603	17 157	-	-	-	-	66 201	27 603	17 157
B	KZN262 uMhlabeni	-	-	-	-	66 641	24 935	24 025	-	-	-	-	66 641	24 935	24 025
B	KZN263 uMhlabeni	-	-	-	-	2 400	23 830	10 229	-	-	-	-	2 400	23 830	10 229
B	KZN276 uMhlabeni	-	-	-	-	19 323	12 037	8 675	-	-	-	-	19 323	12 037	8 675
C	DC27 uMhlabeni District Municipality	-	1 175	1 457	2 406	153 618	88 485	51 936	-	-	-	-	1 175	1 457	2 406
	<b>Total uMhlabeni District Municipality</b>	-	1 175	1 457	2 406	153 618	88 485	51 936	-	-	-	-	1 175	1 457	2 406
B	KZN281 uMhlabeni	-	-	-	-	15 265	6 454	4 306	-	-	-	-	15 265	6 454	4 306
B	KZN282 uMhlabeni	-	-	-	-	2 406	11 406	1 306	-	-	-	-	2 406	11 406	1 306
B	KZN284 uMhlabeni	-	-	-	-	35 333	33 658	5 711	-	-	-	-	35 333	33 658	5 711
B	KZN285 uMhlabeni	-	-	-	-	3 997	3 653	6 809	-	-	-	-	3 997	3 653	6 809
B	KZN286 uMhlabeni	-	-	-	-	300	1 645	6 809	-	-	-	-	300	1 645	6 809
C	DC28 King Cetshwayo District Municipality	-	2 546	1 457	2 406	54 885	51 854	31 946	-	-	-	-	2 546	1 457	2 406
	<b>Total King Cetshwayo District Municipality</b>	-	2 546	1 457	2 406	54 885	51 854	31 946	-	-	-	-	2 546	1 457	2 406
B	KZN291 uMhlabeni	-	-	-	-	10 217	8 333	5 001	-	-	-	-	10 217	8 333	5 001
B	KZN292 uMhlabeni	-	-	-	-	14 201	-	-	19 100	19 100	-	-	14 201	-	-
B	KZN293 uMhlabeni	-	-	-	-	27 012	29 460	27 111	-	-	-	-	27 012	29 460	27 111
B	KZN294 uMhlabeni	-	-	-	-	19 100	-	-	-	-	-	-	19 100	-	-
B	KZN295 uMhlabeni	-	-	-	-	37 793	44 287	44 287	-	-	-	-	37 793	44 287	44 287
	<b>Total Uthmanzi District Municipality</b>	-	2 877	1 457	2 406	51 430	37 793	44 287	19 100	19 100	-	-	2 877	1 457	2 406
B	KZN313 Greater KwaZulu	-	-	-	-	81	-	-	-	-	-	-	81	-	-
B	KZN314 Greater KwaZulu	-	-	-	-	738	1 068	1 320	-	-	-	-	738	1 068	1 320
B	KZN315 Greater KwaZulu	-	-	-	-	924	28 967	223 377	-	-	-	-	924	28 967	223 377
B	KZN316 Greater KwaZulu	-	-	-	-	10 137	10 698	20 054	-	-	-	-	10 137	10 698	20 054
C	DC43 uMhlabeni District Municipality	-	2 215	1 457	2 406	11 800	40 733	24 751	-	-	-	-	2 215	1 457	2 406
	<b>Total uMhlabeni District Municipality</b>	-	2 215	1 457	2 406	11 800	40 733	24 751	-	-	-	-	2 215	1 457	2 406
	<b>Total KwaZulu-Natal Municipalities</b>	20 000	31 346	31 694	40 637	419 341	467 725	509 235	24 200	21 900	-	-	604 387	776 650	1 109 447







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

Category	Municipality	Municipal Infrastructure Grant		Municipal Systems Improvement Grant		Integrated National Electrification Programme (eSokom) Grant		Neighbourhood Development Partnership Grant (Technical Assistance)		Regional Risk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL - INDIRECT		
		2024/25 (R1000)	2026/27 (R1000)	2024/25 (R1000)	2026/27 (R1000)	2024/25 (R1000)	2026/27 (R1000)	2024/25 (R1000)	2026/27 (R1000)	2024/25 (R1000)	2026/27 (R1000)	2024/25 (R1000)	2026/27 (R1000)	2024/25 (R1000)	2026/27 (R1000)	
<b>WESTERN CAPE</b>																
A	CPT - City of Cape Town	-	-	1 106	1 457	2 406	81 325	90 781	82 084	3 000	3 000	-	-	85 431	95 238	87 490
B	WC011 Matieland	-	-	-	-	-	135	-	-	-	-	-	135	-	-	
B	WC012 Cederberg	-	-	-	-	-	16 018	-	-	-	16 040	-	-	16 016	16 040	
B	WC013 Bergvler	-	-	-	-	-	2 602	2 589	-	-	-	-	2 602	2 589	-	
B	WC014 Saldanha Bay	-	-	-	-	-	296	-	-	-	-	-	296	-	-	
B	WC015 Swartland	-	-	2 215	1 457	2 406	-	-	-	-	-	-	2 215	1 457	2 406	
DC1	West Coast District Municipality	-	-	2 215	1 457	2 406	19 051	2 589	-	-	14 831	-	-	36 097	20 002	18 446
<b>Total West Coast Municipalities</b>																
B	WC022 Wittenberg	-	-	-	-	-	3 448	-	500	-	-	-	-	3 948	500	500
B	WC023 Drakenstein	-	-	-	-	-	-	-	-	-	-	-	-	-	-	125
B	WC024 Stellenbosch	-	-	-	-	-	532	2 977	-	-	-	-	532	2 977	1 000	
B	WC025 Breede Valley	-	-	-	-	-	-	-	1 000	-	-	-	-	1 000	-	
B	WC026 Langberg	-	-	2 403	2 617	2 406	-	-	-	-	-	-	2 403	2 617	2 406	
DC2	Cape Winelands District Municipality	-	-	2 403	2 617	2 406	-	-	-	-	-	-	2 403	2 617	2 406	
DC3	Overberg District Municipality	-	-	2 403	2 617	2 406	3 980	2 977	125	1 500	-	-	7 883	7 934	4 031	
<b>Total Cape Winelands District Municipality</b>																
B	WC031 Theewaterskloof	-	-	-	-	-	4 609	13 462	726	-	-	-	4 609	13 462	726	
B	WC032 Oosstrand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	WC033 Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	WC034 Swellendam	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
DC3	Overberg District Municipality	-	-	1 106	1 457	2 406	-	-	-	-	-	-	1 106	1 457	2 406	
<b>Total Overberg Municipalities</b>																
B	WC041 Kamaland	-	-	-	-	-	4 609	13 462	726	-	-	-	4 609	13 462	726	
B	WC042 Hesseque	-	-	-	-	-	104	1 294	-	-	-	-	104	1 294	-	
B	WC043 Mossel Bay	-	-	-	-	-	68	-	-	-	-	-	68	-	-	
B	WC044 George	-	-	-	-	-	-	-	500	-	-	-	-	-	-	
B	WC045 Oudshoorn	-	-	-	-	-	-	-	500	-	-	-	-	-	-	
B	WC047 Breda	-	-	-	-	-	5 798	23 170	27 346	-	-	-	5 798	23 170	27 346	
B	WC048 Knysna	-	-	1 591	1 457	2 406	-	-	100	-	-	-	1 591	1 457	2 406	
DC4	Garden Route District Municipality	-	-	1 591	1 457	2 406	5 970	24 464	27 471	600	-	-	8 161	26 521	30 477	
<b>Total Garden Route Municipalities</b>																
B	WC051 Langsburg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	WC052 Prince Albert	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	WC053 Beaufort West	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
DC5	Central Karoo District Municipality	-	-	1 506	1 457	2 406	-	-	-	-	-	-	1 506	1 457	2 406	
DC6	Central Karoo District Municipality	-	-	1 506	1 457	2 406	-	-	-	-	-	-	1 506	1 457	2 406	
<b>Total Central Karoo Municipalities</b>																
B	WC061 Edenburg	-	-	9 927	9 902	14 436	114 975	134 273	110 406	5 100	5 100	-	-	144 833	162 291	145 982
<b>Total Western Cape Municipalities</b>																
Unallocated		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>National Total</b>		48 300	-	144 596	151 055	158 183	2 196 019	2 294 401	2 309 517	94 890	99 140	103 683	1 046 718	1 118 932	1 341 256	8 034 146

1. Includes unallocated amounts for the Smart Meters Grant (SMG). The SMG is allocated R500 million in 2024/25, R650 million in 2025/26 and R800 million in 2026/27.

**ANNEXURE W7**

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

## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category Municipality			EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
			National and Municipal Financial Year			National and Municipal Financial Year		
			2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>EASTERN CAPE</b>								
A	BUF	Buffalo City	1 218 324	1 298 635	1 381 886	2 220 021	2 288 261	2 524 989
A	NMA	Nelson Mandela Bay	1 523 361	1 643 573	1 775 087	3 172 174	3 479 010	3 368 119
B	EC101	Dr Beyers Naude	121 571	126 403	130 353	174 612	201 643	212 187
B	EC102	Blue Crane Route	71 200	73 285	74 582	131 575	138 140	122 828
B	EC104	Makana	129 656	134 913	139 266	262 751	283 593	285 412
B	EC105	Ndlambe	136 636	141 940	146 192	220 076	241 067	252 763
B	EC106	Sundays River Valley	117 539	122 707	127 204	213 724	196 748	195 269
B	EC108	Kouga	192 664	203 746	214 723	251 127	263 842	279 819
B	EC109	Kou-Kamma	69 003	71 946	74 473	122 724	109 108	115 296
C	DC10	Sarah Baartman District Municipality	111 120	112 927	113 947	120 694	121 492	120 299
<b>Total: Sarah Baartman Municipalities</b>			<b>949 389</b>	<b>987 867</b>	<b>1 020 740</b>	<b>1 497 283</b>	<b>1 555 633</b>	<b>1 583 873</b>
B	EC121	Mbhashe	327 167	323 549	310 893	457 992	465 710	466 527
B	EC122	Mnquma	340 893	337 059	323 777	441 085	459 068	447 241
B	EC123	Great Kei	55 432	54 983	53 118	72 127	84 457	83 169
B	EC124	Amahlathi	138 370	136 786	131 397	238 707	222 268	212 579
B	EC126	Ngqushwa	108 015	106 822	102 691	161 196	165 167	150 212
B	EC129	Raymond Mhlaba	226 658	223 845	214 676	326 017	338 713	303 985
C	DC12	Amathole District Municipality	1 140 317	1 204 982	1 275 672	1 809 986	1 956 648	2 061 397
<b>Total: Amathole Municipalities</b>			<b>2 336 852</b>	<b>2 388 026</b>	<b>2 412 224</b>	<b>3 507 110</b>	<b>3 692 031</b>	<b>3 725 110</b>
B	EC131	Inxuba Yethemba	57 496	58 990	59 735	94 926	100 543	93 064
B	EC135	Intsika Yethu	208 343	206 051	198 032	322 145	319 540	277 454
B	EC136	Emalaheni	161 888	159 967	153 560	283 911	248 699	218 814
B	EC137	Dr. A.B. Xuma	194 093	191 982	184 555	303 579	295 489	258 671
B	EC138	Sakhisizwe	88 876	88 002	84 760	178 375	163 948	123 082
B	EC139	Enoch Mgijima	243 341	244 771	240 940	399 732	383 076	391 338
C	DC13	Chris Hani District Municipality	736 966	778 541	821 440	1 298 326	1 311 562	1 345 663
<b>Total: Chris Hani Municipalities</b>			<b>1 691 003</b>	<b>1 728 304</b>	<b>1 743 022</b>	<b>2 880 994</b>	<b>2 822 857</b>	<b>2 708 086</b>
B	EC141	Elundini	200 668	199 337	192 820	279 311	277 984	273 165
B	EC142	Senqu	196 724	195 162	188 420	258 865	264 623	255 019
B	EC145	Walter Sisulu	80 712	82 802	83 825	115 808	118 386	118 583
C	DC14	Joe Gqabi District Municipality	377 427	398 021	418 930	675 152	759 082	789 219
<b>Total: Joe Gqabi Municipalities</b>			<b>855 531</b>	<b>875 322</b>	<b>883 995</b>	<b>1 329 136</b>	<b>1 420 075</b>	<b>1 435 986</b>
B	EC153	Ngquza Hill	346 720	343 108	329 996	455 935	449 674	446 635
B	EC154	Port St Johns	203 985	202 150	194 864	310 881	296 527	270 000
B	EC155	Nyandeni	348 923	345 648	332 948	535 301	509 822	482 641
B	EC156	Mhlontlo	241 156	238 062	228 166	362 234	352 349	308 705
B	EC157	King Sabata Dalindyebo	460 442	464 075	458 103	674 825	682 819	625 340
C	DC15	O.R. Tambo District Municipality	1 193 994	1 263 903	1 336 259	2 333 477	2 428 955	2 659 341
<b>Total: O.R. Tambo Municipalities</b>			<b>2 795 220</b>	<b>2 856 946</b>	<b>2 880 336</b>	<b>4 672 653</b>	<b>4 720 146</b>	<b>4 792 662</b>
B	EC441	Matatiele	320 321	317 882	307 006	466 090	454 604	410 492
B	EC442	Umzimvubu	289 930	286 840	275 791	403 768	425 865	393 529
B	EC443	Winnie Madikizela-Mandela	359 441	356 151	343 179	467 573	462 979	449 662
B	EC444	Ntabankulu	165 408	163 128	156 149	257 275	235 304	213 134
C	DC44	Alfred Nzo District Municipality	779 701	824 699	870 977	1 495 646	1 521 168	1 641 037
<b>Total: Alfred Nzo Municipalities</b>			<b>1 914 801</b>	<b>1 948 700</b>	<b>1 953 102</b>	<b>3 090 352</b>	<b>3 099 920</b>	<b>3 107 854</b>
<b>Total: Eastern Cape Municipalities</b>			<b>13 284 481</b>	<b>13 727 373</b>	<b>14 050 392</b>	<b>22 369 723</b>	<b>23 077 933</b>	<b>23 246 679</b>

## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

		EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
Category	Municipality	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>FREE STATE</b>							
A	MAN Mangaung	1 113 938	1 201 841	1 298 009	2 274 780	2 357 039	2 510 414
B	FS161 Letsemeng	90 162	93 664	96 485	141 068	146 354	154 987
B	FS162 Kopanong	117 449	121 954	125 540	159 413	180 621	191 622
B	FS163 Mohokare	99 365	102 401	104 370	163 382	159 581	164 047
C	DC16 Xhariep District Municipality	52 396	52 664	52 231	60 236	59 600	59 272
<b>Total: Xhariep Municipalities</b>		<b>359 372</b>	<b>370 683</b>	<b>378 626</b>	<b>524 099</b>	<b>546 156</b>	<b>569 928</b>
B	FS181 Masilonyana	168 168	172 975	175 816	275 732	284 647	295 070
B	FS182 Tokologo	79 467	81 546	82 648	167 396	183 069	200 769
B	FS183 Tswelopele	102 959	105 664	107 094	162 926	146 851	153 597
B	FS184 Matjhabeng	733 077	777 846	822 985	1 137 732	1 227 209	1 218 427
B	FS185 Nala	163 318	168 522	172 029	233 996	237 762	246 587
C	DC18 Lejweleputswa District Municipality	153 059	155 598	157 072	160 525	160 730	163 476
<b>Total: Lejweleputswa Municipalities</b>		<b>1 400 048</b>	<b>1 462 151</b>	<b>1 517 644</b>	<b>2 138 307</b>	<b>2 240 268</b>	<b>2 277 926</b>
B	FS191 Setsoto	267 230	276 616	283 533	536 468	439 285	414 976
B	FS192 Dihlabeng	246 088	259 213	271 732	364 221	401 705	426 932
B	FS193 Nketoana	138 783	143 781	147 561	273 997	320 139	378 724
B	FS194 Maluti-a-Phofung	851 701	876 263	890 621	1 256 962	1 309 722	1 338 684
B	FS195 Phumelela	105 892	109 260	111 538	157 763	164 001	170 294
B	FS196 Mantsopa	116 938	120 953	123 872	169 250	166 283	168 871
C	DC19 Thabo Mofutsanyana District Municipality	139 749	140 537	139 508	154 649	154 691	152 363
<b>Total: Thabo Mofutsanyana Municipalities</b>		<b>1 866 381</b>	<b>1 926 623</b>	<b>1 968 365</b>	<b>2 913 310</b>	<b>2 955 826</b>	<b>3 050 844</b>
B	FS201 Moqhaka	298 568	312 620	325 210	422 511	398 231	407 516
B	FS203 Ngwathe	278 095	288 372	296 205	417 722	510 871	653 283
B	FS204 Metsimaholo	295 487	314 063	332 997	387 273	438 062	472 690
B	FS205 Mafube	136 158	140 691	143 887	239 144	215 766	233 512
C	DC20 Fezile Dabi District Municipality	177 399	183 477	190 008	184 922	191 476	196 697
<b>Total: Fezile Dabi Municipalities</b>		<b>1 185 707</b>	<b>1 239 223</b>	<b>1 288 307</b>	<b>1 651 572</b>	<b>1 754 406</b>	<b>1 963 698</b>
<b>Total: Free State Municipalities</b>		<b>5 925 446</b>	<b>6 200 521</b>	<b>6 450 951</b>	<b>9 502 068</b>	<b>9 853 695</b>	<b>10 372 810</b>
<b>GAUTENG</b>							
A	EKU City of Ekurhuleni	5 534 652	5 971 405	6 449 217	8 782 391	9 151 412	9 964 131
A	JHB City of Johannesburg	7 571 601	8 169 095	8 822 758	11 598 956	12 472 007	12 467 623
A	TSH City of Tshwane	4 287 120	4 625 428	4 995 539	7 084 057	7 359 025	7 991 919
B	GT421 Emfuleni	1 142 879	1 225 804	1 314 392	1 915 360	2 083 824	2 222 310
B	GT422 Midvaal	172 049	185 364	199 912	388 520	362 594	287 895
B	GT423 Lesedi	217 143	230 183	243 305	313 961	305 157	325 874
C	DC42 Sedibeng District Municipality	309 742	320 017	330 886	321 688	332 247	342 978
<b>Total: Sedibeng Municipalities</b>		<b>1 841 813</b>	<b>1 961 368</b>	<b>2 088 495</b>	<b>2 939 529</b>	<b>3 083 822</b>	<b>3 179 057</b>
B	GT481 Mogale City	647 792	698 911	754 835	1 037 992	1 135 518	1 060 895
B	GT484 Merafong City	305 514	327 280	350 406	438 410	473 052	508 121
B	GT485 Rand West City	466 457	499 207	533 845	781 929	813 203	873 264
C	DC48 West Rand District Municipality	244 123	250 687	256 817	317 677	325 402	320 224
<b>Total: West Rand Municipalities</b>		<b>1 663 886</b>	<b>1 776 085</b>	<b>1 895 903</b>	<b>2 576 008</b>	<b>2 747 175</b>	<b>2 762 504</b>
<b>Total: Gauteng Municipalities</b>		<b>20 899 072</b>	<b>22 503 381</b>	<b>24 251 912</b>	<b>32 980 941</b>	<b>34 813 441</b>	<b>36 365 234</b>

## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>KWAZULU-NATAL</b>							
A	ETH eThekweni	4 827 914	5 208 897	5 625 695	8 290 328	8 481 352	9 194 374
B	KZN212 uMdoni	182 950	181 999	176 425	272 090	255 653	244 615
B	KZN213 uMzumbane	171 112	168 548	161 044	215 451	221 309	216 855
B	KZN214 uMuziwabantu	123 326	122 379	118 220	153 418	158 765	156 394
B	KZN216 Ray Nkonyeni	302 729	308 450	309 120	456 353	439 989	431 456
C	DC21 Ugu District Municipality	667 211	704 998	744 121	960 386	1 003 758	1 071 488
<b>Total: Ugu Municipalities</b>		<b>1 447 328</b>	<b>1 486 374</b>	<b>1 508 930</b>	<b>2 057 698</b>	<b>2 079 474</b>	<b>2 120 808</b>
B	KZN221 uMshwathi	139 899	140 403	137 846	177 973	183 599	181 913
B	KZN222 uMngeni	105 408	110 647	115 426	157 059	155 139	162 208
B	KZN223 Mpoofana	48 961	49 526	49 193	70 510	79 673	76 810
B	KZN224 iMpendle	50 398	50 094	48 551	97 756	84 451	67 327
B	KZN225 Msunduzi	822 072	879 493	940 126	1 252 099	1 371 913	1 520 077
B	KZN226 Mkhambathini	87 712	87 629	85 496	122 055	119 681	124 205
B	KZN227 Richmond	97 995	98 022	95 798	125 384	131 712	127 569
C	DC22 uMgungundlovu District Municipality	749 708	787 450	827 715	975 420	1 026 143	1 078 415
<b>Total: uMgungundlovu Municipalities</b>		<b>2 102 153</b>	<b>2 203 264</b>	<b>2 300 151</b>	<b>2 978 256</b>	<b>3 152 311</b>	<b>3 338 524</b>
B	KZN235 Okhahlamba	167 007	165 477	159 481	240 449	263 378	221 946
B	KZN237 iNkosi Langalibalele	245 836	244 341	236 533	317 092	324 073	324 817
B	KZN238 Alfred Duma	325 368	328 087	324 076	453 290	423 345	433 744
C	DC23 uThukela District Municipality	614 024	649 213	685 599	934 613	977 919	1 045 691
<b>Total: uThukela Municipalities</b>		<b>1 352 235</b>	<b>1 387 118</b>	<b>1 405 689</b>	<b>1 945 444</b>	<b>1 988 715</b>	<b>2 026 198</b>
B	KZN241 eNdumeni	70 647	72 887	74 339	111 329	102 678	114 561
B	KZN242 Nquthu	188 876	186 478	178 773	254 756	244 134	244 297
B	KZN244 uMsinga	232 162	230 293	222 294	309 240	300 739	292 500
B	KZN245 uMvoti	186 113	186 714	183 193	249 948	245 447	236 388
C	DC24 uMzinyathi District Municipality	519 485	549 041	579 441	832 931	874 500	935 538
<b>Total: uMzinyathi Municipalities</b>		<b>1 197 283</b>	<b>1 225 413</b>	<b>1 238 040</b>	<b>1 758 204</b>	<b>1 767 498</b>	<b>1 823 284</b>
B	KZN252 Newcastle	540 119	563 790	584 127	796 211	848 800	863 102
B	KZN253 eMadlangeni	39 936	39 692	38 469	81 006	75 280	68 395
B	KZN254 Dannhauser	120 689	119 066	114 044	151 222	151 549	159 275
C	DC25 Amajuba District Municipality	222 325	231 021	239 622	373 166	399 220	401 525
<b>Total: Amajuba Municipalities</b>		<b>923 069</b>	<b>953 569</b>	<b>976 262</b>	<b>1 401 605</b>	<b>1 474 849</b>	<b>1 492 297</b>
B	KZN261 eDumbe	104 192	103 192	99 414	144 764	141 213	135 241
B	KZN262 uPhongolo	192 178	191 306	185 615	243 238	239 486	231 741
B	KZN263 Abaqulusi	215 636	217 209	214 251	270 525	293 392	283 842
B	KZN265 Nongoma	211 260	207 702	197 873	256 633	261 033	246 776
B	KZN266 Ulundi	218 026	213 971	203 295	273 095	287 861	280 613
C	DC26 Zululand District Municipality	670 187	708 723	748 495	1 254 400	1 363 471	1 676 134
<b>Total: Zululand Municipalities</b>		<b>1 611 479</b>	<b>1 642 103</b>	<b>1 648 943</b>	<b>2 442 655</b>	<b>2 586 456</b>	<b>2 854 347</b>
B	KZN271 uMhlabuyalingana	242 421	240 699	232 654	367 028	321 192	307 870
B	KZN272 Jozini	259 516	256 848	247 095	392 799	350 250	334 420
B	KZN275 Mtubatuba	245 141	242 465	233 043	288 451	313 947	285 322
B	KZN276 Big Five Hlabisa	155 064	153 387	147 474	212 209	202 577	193 854
C	DC27 uMkhanyakude District Municipality	620 064	655 524	691 916	1 078 639	1 158 215	1 441 547
<b>Total: uMkhanyakude Municipalities</b>		<b>1 522 206</b>	<b>1 548 923</b>	<b>1 552 182</b>	<b>2 339 126</b>	<b>2 346 181</b>	<b>2 563 013</b>
B	KZN281 uMfolozi	186 274	183 824	176 112	240 356	233 802	225 522
B	KZN282 uMhlathuze	556 251	586 212	614 901	790 765	805 289	861 635
B	KZN284 uMlalazi	253 981	251 316	241 711	354 962	341 879	307 963
B	KZN285 Mthonjaneni	103 227	101 468	96 676	140 941	133 568	132 167
B	KZN286 Nkandla	126 325	124 405	118 837	167 930	166 547	166 719
C	DC28 King Cetshwayo District Municipality	720 633	758 615	799 910	1 242 496	1 279 205	1 355 325
<b>Total: King Cetshwayo Municipalities</b>		<b>1 946 691</b>	<b>2 005 840</b>	<b>2 048 147</b>	<b>2 937 450</b>	<b>2 960 290</b>	<b>3 049 331</b>
B	KZN291 Mandeni	243 588	243 364	237 347	307 748	304 506	299 653
B	KZN292 KwaDukuza	276 746	290 639	303 210	392 508	385 438	407 617
B	KZN293 Ndwedwe	204 167	202 047	194 363	255 184	251 566	251 408
B	KZN294 Maphumulo	119 979	118 778	114 351	185 954	187 134	181 461
C	DC29 iLembe District Municipality	788 188	834 819	883 739	1 119 235	1 172 915	1 259 086
<b>Total: iLembe Municipalities</b>		<b>1 632 668</b>	<b>1 689 647</b>	<b>1 733 010</b>	<b>2 260 629</b>	<b>2 301 559</b>	<b>2 399 225</b>
B	KZN433 Greater Kokstad	85 848	87 738	88 359	123 672	116 967	118 450
B	KZN434 uBuhlebezwe	146 644	145 236	139 891	186 160	188 274	185 250
B	KZN435 uMzimkhulu	259 309	257 466	248 853	324 097	346 137	536 646
B	KZN436 Dr Nkosazana Dlamini Zuma	170 740	169 307	163 360	221 431	219 526	225 770
C	DC43 Harry Gwala District Municipality	491 837	519 538	547 904	832 832	867 328	933 826
<b>Total: Harry Gwala Municipalities</b>		<b>1 154 378</b>	<b>1 179 285</b>	<b>1 188 367</b>	<b>1 688 192</b>	<b>1 738 232</b>	<b>1 999 942</b>
<b>Total: KwaZulu-Natal Municipalities</b>		<b>19 717 404</b>	<b>20 530 433</b>	<b>21 225 416</b>	<b>30 099 588</b>	<b>30 876 918</b>	<b>32 861 343</b>

## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>LIMPOPO</b>							
B	LIM331 Greater Giyani	396 848	394 031	380 817	506 894	494 716	484 881
B	LIM332 Greater Letaba	385 877	383 586	371 355	494 219	479 564	465 180
B	LIM333 Greater Tzaneen	551 492	554 078	544 491	728 145	692 663	720 042
B	LIM334 Ba-Phalaborwa	216 586	216 560	211 458	265 348	270 400	290 240
B	LIM335 Maruleng	173 864	172 850	167 399	225 791	210 051	211 842
C	DC33 Mopani District Municipality	1 343 490	1 424 252	1 508 807	2 389 645	2 384 349	2 693 376
<b>Total: Mopani Municipalities</b>		<b>3 068 157</b>	<b>3 145 357</b>	<b>3 184 327</b>	<b>4 610 042</b>	<b>4 531 743</b>	<b>4 865 561</b>
B	LIM341 Musina	229 123	232 462	231 686	269 121	280 934	288 014
B	LIM343 Thulamela	622 657	622 909	608 568	813 599	795 011	798 384
B	LIM344 Makhado	509 837	511 679	502 054	657 849	645 720	650 008
B	LIM345 Collins Chabane	513 239	511 443	496 872	646 807	636 392	641 470
C	DC34 Vhembe District Municipality	1 474 623	1 564 097	1 657 178	2 312 923	2 545 182	2 742 289
<b>Total: Vhembe Municipalities</b>		<b>3 349 479</b>	<b>3 442 590</b>	<b>3 496 358</b>	<b>4 700 299</b>	<b>4 903 239</b>	<b>5 120 165</b>
B	LIM351 Blouberg	246 266	244 154	235 481	322 460	339 590	316 885
B	LIM353 Molemole	187 593	186 040	179 526	258 147	247 468	245 563
B	LIM354 Polokwane	1 407 843	1 481 766	1 551 725	2 411 800	2 458 538	2 672 011
B	LIM355 Lepele-Nkumpi	336 507	332 634	319 397	447 965	417 144	427 346
C	DC35 Capricorn District Municipality	814 002	854 598	896 905	1 195 259	1 219 780	1 283 816
<b>Total: Capricorn Municipalities</b>		<b>2 992 211</b>	<b>3 099 192</b>	<b>3 183 034</b>	<b>4 635 631</b>	<b>4 682 520</b>	<b>4 945 621</b>
B	LIM361 Thabazimbi	145 380	156 118	167 694	256 617	289 585	305 779
B	LIM362 Lephalale	241 654	254 298	266 256	458 225	479 907	488 130
B	LIM366 Bela-Bela	137 989	144 215	149 706	236 315	252 868	259 815
B	LIM367 Mogalakwena	609 555	625 166	632 713	994 655	1 098 546	959 824
B	LIM368 Modimolle-Mookgophong	154 561	161 999	168 752	326 922	330 717	342 872
C	DC36 Waterberg District Municipality	154 761	157 757	159 819	171 782	173 424	175 489
<b>Total: Waterberg Municipalities</b>		<b>1 443 900</b>	<b>1 499 553</b>	<b>1 544 940</b>	<b>2 444 516</b>	<b>2 625 047</b>	<b>2 531 909</b>
B	LIM471 Ephraim Mogale	201 842	200 571	194 104	265 173	254 203	245 302
B	LIM472 Elias Mosisoledi	377 690	374 077	360 220	487 260	467 010	451 570
B	LIM473 Makhuduthamaga	363 154	359 864	346 801	465 751	463 226	451 390
B	LIM476 Fetakgomo Tubatse	617 179	612 972	592 437	762 255	790 367	753 140
C	DC47 Sekhukhune District Municipality	1 139 344	1 206 930	1 277 252	1 937 215	2 028 457	2 120 104
<b>Total: Sekhukhune Municipalities</b>		<b>2 699 209</b>	<b>2 754 414</b>	<b>2 770 814</b>	<b>3 917 654</b>	<b>4 003 263</b>	<b>4 021 506</b>
<b>Total: Limpopo Municipalities</b>		<b>13 552 956</b>	<b>13 941 106</b>	<b>14 179 473</b>	<b>20 308 142</b>	<b>20 745 812</b>	<b>21 484 762</b>
<b>MPUMALANGA</b>							
B	MP301 Chief Albert Luthuli	443 317	453 763	458 103	937 975	936 679	1 018 726
B	MP302 Msukaligwa	270 341	286 331	302 260	481 713	534 271	577 757
B	MP303 Mkhondo	353 262	365 407	374 167	602 462	583 199	593 392
B	MP304 Dr Pixley ka Isaka Seme	167 330	172 277	175 333	275 234	257 242	261 531
B	MP305 Lekwa	179 350	189 946	200 499	314 209	334 623	349 359
B	MP306 Dipaleseng	106 114	109 583	111 990	165 920	195 666	208 371
B	MP307 Govan Mbeki	458 066	494 213	533 758	615 467	620 839	665 880
C	DC30 Gert Sibande District Municipality	333 988	346 103	359 426	359 089	366 890	380 470
<b>Total: Gert Sibande Municipalities</b>		<b>2 311 768</b>	<b>2 417 623</b>	<b>2 515 536</b>	<b>3 752 069</b>	<b>3 829 409</b>	<b>4 055 486</b>
B	MP311 Victor Khanye	149 824	157 125	163 834	254 405	205 670	207 729
B	MP312 Emalahleni	600 014	647 363	699 163	797 066	842 361	933 538
B	MP313 Steve Tshwete	350 175	377 808	408 039	527 256	537 240	546 260
B	MP314 Emakhazeni	92 885	96 754	100 019	154 831	167 312	176 113
B	MP315 Thembisile Hani	592 128	608 296	617 022	1 074 917	1 081 992	1 105 152
B	MP316 Dr JS Moroka	520 563	528 962	528 686	691 310	721 997	768 670
C	DC31 Nkangala District Municipality	409 520	423 808	439 249	422 161	436 498	450 528
<b>Total: Nkangala Municipalities</b>		<b>2 715 109</b>	<b>2 840 116</b>	<b>2 956 012</b>	<b>3 921 946</b>	<b>3 993 070</b>	<b>4 187 990</b>
B	MP321 Thaba Chweu	221 892	234 000	245 720	362 034	386 373	416 066
B	MP324 Nkomazi	837 870	862 483	877 235	1 220 328	1 234 431	1 244 291
B	MP325 Bushbuckridge	1 119 258	1 148 167	1 162 355	1 726 751	1 777 604	1 828 685
B	MP326 City of Mbombela	1 120 727	1 183 180	1 243 875	1 652 997	1 816 921	1 864 769
C	DC32 Ehlanzeni District Municipality	303 325	308 576	311 732	314 548	319 081	321 721
<b>Total: Ehlanzeni Municipalities</b>		<b>3 603 072</b>	<b>3 736 406</b>	<b>3 840 917</b>	<b>5 276 658</b>	<b>5 534 410</b>	<b>5 675 532</b>
<b>Total: Mpumalanga Municipalities</b>		<b>8 629 949</b>	<b>8 994 145</b>	<b>9 312 465</b>	<b>12 950 673</b>	<b>13 356 889</b>	<b>13 919 008</b>



## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>NORTHERN CAPE</b>							
B	NC061 Richtersveld	26 627	27 432	27 970	43 186	56 647	58 125
B	NC062 Nama Khoi	67 456	71 010	74 423	98 008	112 882	133 350
B	NC064 Kamiesberg	33 964	34 278	33 978	46 181	46 640	46 519
B	NC065 Hantam	35 954	37 702	39 331	168 621	69 486	75 746
B	NC066 Karoo Hoogland	34 689	35 806	36 594	70 150	80 595	50 091
B	NC067 Khâi-Ma	29 007	29 763	30 179	56 388	104 089	70 751
C	DC6 Namakwa District Municipality	58 871	60 373	61 732	66 510	67 234	69 798
<b>Total: Namakwa Municipalities</b>		<b>286 568</b>	<b>296 364</b>	<b>304 207</b>	<b>549 044</b>	<b>537 573</b>	<b>504 380</b>
B	NC071 Ubuntu	52 389	53 538	53 971	87 361	87 757	72 362
B	NC072 Umsobomvu	73 653	75 731	76 963	96 863	107 127	94 078
B	NC073 Emthanjeni	63 275	65 963	68 271	110 743	117 202	122 506
B	NC074 Kareeberg	37 608	38 093	37 948	54 576	52 663	52 367
B	NC075 Renosterberg	35 956	36 522	36 527	64 374	52 060	54 211
B	NC076 Thembelihle	38 097	38 815	38 978	66 572	56 303	54 226
B	NC077 Siyathemba	48 179	49 592	50 483	73 089	71 231	72 326
B	NC078 Siyancuma	66 107	68 159	69 524	108 229	109 052	110 325
C	DC7 Pixley Ka Seme District Municipality	63 593	63 990	63 583	71 562	70 776	71 680
<b>Total: Pixley Ka Seme Municipalities</b>		<b>478 857</b>	<b>490 403</b>	<b>496 248</b>	<b>733 369</b>	<b>724 171</b>	<b>704 081</b>
B	NC082 !Kai !Garib	127 168	134 625	142 073	168 943	191 805	184 238
B	NC084 !Kheis	36 866	37 464	37 492	63 728	53 662	67 458
B	NC085 Tsantsabane	58 842	61 906	64 830	105 851	129 905	94 006
B	NC086 Kgatelopele	35 236	36 728	38 016	78 046	50 375	52 166
B	NC087 Dawid Kruiper	124 545	132 683	141 157	205 665	225 638	250 889
C	DC8 Z.F. Mgcawu District Municipality	83 266	84 890	86 043	93 794	94 391	93 265
<b>Total: Z.F. Mgcawu Municipalities</b>		<b>465 923</b>	<b>488 296</b>	<b>509 611</b>	<b>716 027</b>	<b>745 776</b>	<b>742 022</b>
B	NC091 Sol Plaatjie	282 104	302 569	324 431	865 000	972 173	448 544
B	NC092 Dikgatlong	123 223	126 236	127 630	158 860	160 838	164 211
B	NC093 Magareng	65 001	66 004	65 953	142 748	140 392	108 191
B	NC094 Phokwane	142 291	145 873	147 613	233 446	219 154	237 325
C	DC9 Frances Baard District Municipality	139 133	143 567	148 192	150 639	154 139	159 889
<b>Total: Frances Baard Municipalities</b>		<b>751 752</b>	<b>784 249</b>	<b>813 819</b>	<b>1 550 693</b>	<b>1 646 696</b>	<b>1 118 160</b>
B	NC451 Joe Morolong	191 089	193 366	192 049	372 507	325 260	345 066
B	NC452 Ga-Segonyana	244 849	250 982	253 900	483 506	419 257	400 961
B	NC453 Gamagara	66 070	71 150	76 699	128 562	116 725	133 168
C	DC45 John Taolo Gaetsewe District Municipality	109 352	112 132	114 453	120 404	121 915	125 491
<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>611 360</b>	<b>627 630</b>	<b>637 101</b>	<b>1 104 979</b>	<b>983 157</b>	<b>1 004 686</b>
<b>Total: Northern Cape Municipalities</b>		<b>2 594 460</b>	<b>2 686 942</b>	<b>2 760 986</b>	<b>4 654 112</b>	<b>4 637 373</b>	<b>4 073 329</b>
<b>NORTH WEST</b>							
B	NW371 Moretele	469 371	477 865	478 895	791 480	780 846	800 644
B	NW372 Madibeng	1 123 765	1 183 885	1 241 275	1 550 829	1 718 109	1 750 172
B	NW373 Rustenburg	1 150 861	1 241 678	1 341 033	1 822 679	1 906 232	2 093 464
B	NW374 Kgetlengrivier	138 118	144 312	149 753	214 116	198 554	225 173
B	NW375 Moses Kotane	600 070	613 320	617 941	879 105	943 612	917 809
C	DC37 Bojanala Platinum District Municipality	407 135	417 302	426 154	415 150	424 748	433 459
<b>Total: Bojanala Platinum Municipalities</b>		<b>3 889 320</b>	<b>4 078 362</b>	<b>4 255 051</b>	<b>5 673 359</b>	<b>5 972 101</b>	<b>6 220 721</b>
B	NW381 Ratlou	168 819	167 896	162 693	235 725	208 233	204 015
B	NW382 Tswaing	159 987	161 108	158 923	216 960	205 686	215 079
B	NW383 Mafikeng	379 249	383 925	381 330	529 000	507 425	512 563
B	NW384 Ditsobotla	184 896	189 068	190 426	244 378	287 750	244 518
B	NW385 Ramotshere Moiloa	244 093	243 361	236 632	316 809	300 385	302 190
C	DC38 Ngaka Modiri Molema District Municipality	1 110 786	1 176 209	1 245 822	1 641 188	1 752 941	1 855 666
<b>Total: Ngaka Modiri Molema Municipalities</b>		<b>2 247 830</b>	<b>2 321 567</b>	<b>2 375 826</b>	<b>3 184 060</b>	<b>3 262 420</b>	<b>3 334 031</b>
B	NW392 Naledi	72 532	74 254	74 957	131 173	114 088	113 626
B	NW393 Mamusa	75 763	76 157	74 962	108 192	109 977	108 434
B	NW394 Greater Taung	257 199	254 523	244 817	415 918	325 394	321 891
B	NW396 Lekwa-Teemane	68 806	69 756	69 486	125 476	94 466	91 375
B	NW397 Kagisano-Molopo	161 140	159 698	153 963	213 508	207 269	204 312
C	DC39 Dr Ruth Segomotsi Mompoti District Municipality	507 253	535 249	563 942	1 155 269	1 247 750	1 383 632
<b>Total: Dr Ruth Segomotsi Mompoti Municipalities</b>		<b>1 142 693</b>	<b>1 169 637</b>	<b>1 182 127</b>	<b>2 149 536</b>	<b>2 098 944</b>	<b>2 223 270</b>
B	NW403 City of Matlosana	641 421	683 738	727 597	846 107	901 027	1 030 220
B	NW404 Maquassi Hills	182 628	188 755	193 092	255 527	260 840	272 822
B	NW405 JB Marks	411 298	439 697	469 577	613 735	668 635	708 571
C	DC40 Dr Kenneth Kaunda District Municipality	218 309	224 759	231 200	232 723	237 937	241 822
<b>Total: Dr Kenneth Kaunda Municipalities</b>		<b>1 453 656</b>	<b>1 536 949</b>	<b>1 621 466</b>	<b>1 948 092</b>	<b>2 068 439</b>	<b>2 253 435</b>
<b>Total: North West Municipalities</b>		<b>8 733 499</b>	<b>9 106 515</b>	<b>9 434 470</b>	<b>12 955 047</b>	<b>13 401 904</b>	<b>14 031 457</b>

## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

		EQUITABLE SHARE <sup>1</sup>			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
Category	Municipality	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>WESTERN CAPE</b>							
A	CPT City of Cape Town	4 365 700	4 710 208	5 087 103	8 862 135	9 634 192	9 947 033
B	WC011 Matzikama	81 640	87 581	93 964	111 025	124 696	134 649
B	WC012 Cederberg	71 545	75 872	80 249	146 995	161 145	167 821
B	WC013 Bergrivier	68 086	73 344	79 087	98 134	108 333	122 057
B	WC014 Saldanha Bay	138 465	148 957	160 358	189 522	186 267	195 889
B	WC015 Swartland	153 764	165 898	179 172	209 403	216 041	229 065
C	DC1 West Coast District Municipality	109 608	112 321	114 738	116 945	117 745	121 447
<b>Total: West Coast Municipalities</b>		<b>623 108</b>	<b>663 973</b>	<b>707 568</b>	<b>872 024</b>	<b>914 227</b>	<b>970 928</b>
B	WC022 Witzenberg	145 706	157 204	169 783	192 995	190 273	200 897
B	WC023 Drakenstein	231 574	249 848	269 840	933 339	812 424	330 807
B	WC024 Stellenbosch	215 604	232 617	251 231	293 776	293 286	314 702
B	WC025 Breede Valley	174 394	188 156	203 212	232 831	253 873	267 526
B	WC026 Langeberg	113 734	121 970	130 809	147 000	154 797	166 212
C	DC2 Cape Winelands District Municipality	263 660	273 850	285 342	271 330	280 620	292 245
<b>Total: Cape Winelands Municipalities</b>		<b>1 144 672</b>	<b>1 223 645</b>	<b>1 310 217</b>	<b>2 071 271</b>	<b>1 985 274</b>	<b>1 572 390</b>
B	WC031 Theewaterskloof	140 900	150 354	160 211	190 145	202 361	203 046
B	WC032 Overstrand	168 794	179 596	190 729	224 891	229 516	230 363
B	WC033 Cape Agulhas	43 073	45 901	48 854	73 237	68 493	65 918
B	WC034 Swellendam	46 412	49 522	52 787	80 676	72 334	72 196
C	DC3 Overberg District Municipality	86 644	88 069	88 889	92 989	93 633	95 744
<b>Total: Overberg Municipalities</b>		<b>485 823</b>	<b>513 442</b>	<b>541 470</b>	<b>661 938</b>	<b>666 337</b>	<b>667 267</b>
B	WC041 Kannaland	37 479	38 912	40 067	61 955	65 308	90 814
B	WC042 Hessequa	63 158	67 548	72 214	85 570	88 430	93 893
B	WC043 Mossel Bay	139 609	148 759	158 279	170 839	184 302	196 118
B	WC044 George	230 472	248 659	268 556	789 308	455 360	474 304
B	WC045 Oudtshoorn	102 781	108 365	113 789	143 806	140 890	153 400
B	WC047 Bitou	154 148	161 224	167 516	198 094	228 063	227 411
B	WC048 Knysna	130 575	138 048	145 440	198 573	229 763	234 651
C	DC4 Garden Route District Municipality	182 224	187 789	193 452	189 081	193 089	200 031
<b>Total: Garden Route Municipalities</b>		<b>1 040 446</b>	<b>1 099 304</b>	<b>1 159 313</b>	<b>1 837 226</b>	<b>1 585 205</b>	<b>1 670 622</b>
B	WC051 Laingsburg	22 685	23 224	23 483	46 822	39 144	51 690
B	WC052 Prince Albert	30 299	31 231	31 860	56 331	60 322	49 538
B	WC053 Beaufort West	88 849	92 718	96 074	115 028	114 609	120 413
C	DC5 Central Karoo District Municipality	38 885	38 861	38 208	44 750	43 570	44 169
<b>Total: Central Karoo Municipalities</b>		<b>180 718</b>	<b>186 034</b>	<b>189 625</b>	<b>262 931</b>	<b>257 645</b>	<b>265 810</b>
<b>Total: Western Cape Municipalities</b>		<b>7 840 467</b>	<b>8 396 606</b>	<b>8 995 296</b>	<b>14 567 525</b>	<b>15 042 879</b>	<b>15 094 049</b>
Unallocated		-	-	-	878 342	2 539 897	2 739 881
<b>National Total</b>		<b>101 177 734</b>	<b>106 087 022</b>	<b>110 661 361</b>	<b>161 266 160</b>	<b>168 346 741</b>	<b>174 188 551</b>

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

**APPENDIX W1**

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

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

**(National and Municipal Financial Years)**



**APPENDIX W1**  
**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**  
**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			
		2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2024/25 (R'000)	2023/26 (R'000)
		2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2024/25 (R'000)	2023/26 (R'000)
<b>FREE STATE</b>																	
A	MAN Mngangang	1 113 938	1 201 841	-	-	-	-	-	-	-	-	-	-	-	-	1 113 938	1 201 841
B	FS161 Letsemeng	86 977	90 349	-	-	3 185	3 315	3 449	-	-	-	-	-	-	90 162	93 664	
B	FS162 Kopong	113 293	117 628	-	-	4 156	4 326	4 501	-	-	-	-	-	-	117 449	121 954	
B	FS163 Mokare	96 180	99 086	-	-	3 185	3 315	3 449	-	-	-	-	-	-	99 365	102 401	
C	DC16 Xhariep District Municipality	24 888	24 048	24 327	25 286	26 376	3 483	3 618	-	-	-	-	-	-	52 396	52 664	
	<b>Total Xhariep Municipalities</b>	<b>321 338</b>	<b>331 111</b>	<b>24 327</b>	<b>25 286</b>	<b>26 376</b>	<b>14 286</b>	<b>14 882</b>	-	-	-	-	-	-	<b>359 372</b>	<b>370 683</b>	
B	FS181 Maitsoyana	163 791	168 420	-	-	4 377	4 555	4 736	-	-	-	-	-	-	168 168	172 975	
B	FS182 Tokologo	76 282	78 231	-	-	3 185	3 315	3 449	-	-	-	-	-	-	79 467	81 546	
B	FS183 Tsoekpele	98 800	101 338	-	-	4 156	4 326	4 501	-	-	-	-	-	-	102 959	105 664	
B	FS184 Mafabeng	733 077	777 846	-	-	5 491	5 715	5 945	-	-	-	-	-	-	733 077	777 846	
B	FS185 Naha	157 827	166 084	-	-	5 491	5 715	5 945	-	-	-	-	-	-	163 318	168 522	
C	DC18 Letlengwaa District Municipality	63 871	65 454	110 690	116 414	122 138	17 911	18 631	-	-	-	-	-	-	139 889	145 092	
	<b>Total Letlengwaa Municipalities</b>	<b>1 209 751</b>	<b>1 238 126</b>	<b>110 690</b>	<b>116 414</b>	<b>122 138</b>	<b>17 911</b>	<b>18 631</b>	-	-	-	-	-	-	<b>1 400 048</b>	<b>1 462 151</b>	
B	FS191 Sechutsa	249 650	268 728	-	-	7 800	7 888	8 204	-	-	-	-	-	-	267 240	276 616	
B	FS192 Dikhalag	246 088	259 213	-	-	4 118	4 286	4 459	-	-	-	-	-	-	246 088	259 213	
B	FS193 Nkwanane	134 665	139 405	-	-	4 118	4 286	4 459	-	-	-	-	-	-	138 783	143 781	
B	FS194 Maitate-Phofung	851 701	876 263	-	-	3 884	4 044	4 208	-	-	-	-	-	-	851 701	876 263	
B	FS195 Phaledela	102 008	105 216	-	-	4 118	4 286	4 459	-	-	-	-	-	-	105 892	109 260	
B	FS196 Matsiema	112 820	116 667	-	-	4 118	4 286	4 459	-	-	-	-	-	-	116 938	120 953	
C	DC19 Thabo Mofutsanyana District Municipality	71 281	69 369	68 468	71 168	74 237	19 700	20 504	-	-	-	-	-	-	139 749	140 537	
	<b>Total Thabo Mofutsanyana Municipalities</b>	<b>1 778 213</b>	<b>1 834 951</b>	<b>68 468</b>	<b>71 168</b>	<b>74 237</b>	<b>19 700</b>	<b>20 504</b>	-	-	-	-	-	-	<b>1 866 381</b>	<b>1 926 623</b>	
B	FS201 Mophaka	298 568	312 620	-	-	-	-	-	-	-	-	-	-	-	298 568	312 620	
B	FS202 Nquthu	278 095	288 372	-	-	-	-	-	-	-	-	-	-	-	278 095	288 372	
B	FS204 Mestriemhlo	332 997	332 997	-	-	3 919	4 078	4 241	-	-	-	-	-	-	332 997	332 997	
B	FS205 Mafate	132 239	139 646	-	-	169 933	177 260	184 587	-	-	-	-	-	-	136 158	140 691	
C	DC20 Ezile Dabi District Municipality	13 914	13 544	163 485	169 933	177 260	3 919	4 078	-	-	-	-	-	-	177 399	183 477	
	<b>Total Ezile Dabi Municipalities</b>	<b>1 018 303</b>	<b>1 065 212</b>	<b>163 485</b>	<b>169 933</b>	<b>177 260</b>	<b>3 919</b>	<b>4 078</b>	-	-	-	-	-	-	<b>1 185 707</b>	<b>1 239 223</b>	
<b>Total Free State Municipalities</b>		<b>5 512 543</b>	<b>5 771 241</b>	<b>6 002 304</b>	<b>588 508</b>	<b>572 501</b>	<b>54 835</b>	<b>56 779</b>	<b>59 184</b>	-	-	-	-	-	<b>5 925 446</b>	<b>6 200 521</b>	
<b>GAUTENG</b>																	
A	Eku City of Ekurhuleni	5 524 452	5 971 405	-	-	-	-	-	-	-	-	-	-	-	5 524 452	5 971 405	
A	HBH City of Johannesburg	7 571 600	8 169 085	-	-	-	-	-	-	-	-	-	-	-	7 571 600	8 169 085	
A	ISH City of Tlokweng	4 287 120	4 625 428	-	-	-	-	-	-	-	-	-	-	-	4 287 120	4 625 428	
B	G1421 Emidlani	1 142 879	1 225 804	-	-	-	-	-	-	-	-	-	-	-	1 142 879	1 225 804	
B	G1422 Midwal	165 185	178 220	-	-	6 864	7 144	7 431	-	-	-	-	-	-	172 049	185 364	
B	G1423 Lesedi	211 194	223 922	-	-	5 949	6 191	6 440	-	-	-	-	-	-	210 143	220 183	
C	DC12 Sediberg District Municipality	1 285 285	1 392 572	28 866	29 440	30 020	12 313	13 371	-	-	-	-	-	-	299 743	320 072	
	<b>Total Sediberg Municipalities</b>	<b>1 599 563</b>	<b>1 688 293</b>	<b>28 866</b>	<b>29 440</b>	<b>30 020</b>	<b>12 313</b>	<b>13 371</b>	-	-	-	-	-	-	<b>1 641 813</b>	<b>1 741 586</b>	
B	GE181 Magera City	647 792	698 911	-	-	-	-	-	-	-	-	-	-	-	647 792	698 911	
B	GE184 Merafika City	305 514	327 280	-	-	-	-	-	-	-	-	-	-	-	305 514	327 280	
B	GE185 Berg West City	466 457	499 207	-	-	-	-	-	-	-	-	-	-	-	466 457	499 207	
C	DC18 West Rand District Municipality	53 548	52 595	190 575	198 092	206 608	-	-	-	-	-	-	-	-	244 123	250 887	
	<b>Total West Rand Municipalities</b>	<b>1 473 311</b>	<b>1 577 993</b>	<b>1 690 295</b>	<b>1 908 575</b>	<b>1 988 092</b>	-	-	-	-	-	-	-	-	<b>1 663 886</b>	<b>1 776 085</b>	
<b>Total Gauteng Municipalities</b>		<b>20 417 227</b>	<b>22 002 514</b>	<b>23 729 513</b>	<b>469 032</b>	<b>487 532</b>	<b>12 813</b>	<b>13 335</b>	<b>13 871</b>	-	-	-	-	-	<b>20 899 072</b>	<b>22 503 381</b>	



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

Category	Municipality	Equitable Share Formula			RSC Levies Replacement			Special Support for Councillor Remuneration and Ward Committees			BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES						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				
		2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)	2023/26 (R'000)
<b>LIMPOPO</b>																					
B	LIM31 Greater Giyani	382,663	379,267	365,459	-	-	-	14,185	14,764	15,358	-	-	-	152,784	95,907	165,966	100,318	-	396,848	394,031	380,817
B	LIM32 Greater Letaba	372,150	369,298	356,093	-	-	-	13,727	14,388	14,862	-	-	-	138,663	90,271	163,556	98,662	-	385,877	383,586	371,355
B	LIM33 Greater Tzaneen	551,492	554,078	544,091	-	-	-	8,495	8,841	9,195	-	-	-	236,610	154,036	279,088	168,695	-	551,492	554,078	544,091
B	LIM34 Bop-Polokwane	208,091	207,719	202,263	-	-	-	6,207	6,460	6,718	-	-	-	88,471	53,043	96,104	60,091	-	216,586	212,560	211,458
B	LIM35 Maruleng	167,657	166,390	160,881	-	-	-	4,600	4,660	4,718	-	-	-	59,544	38,764	64,655	40,586	-	172,864	167,399	167,399
C	DC33 Mopani District Municipality	1,176,365	1,250,535	1,327,535	173,717	173,717	173,717	-	-	-	-	-	-	-	-	-	-	-	1,434,490	1,424,352	1,508,807
	<b>Total Limpopo District Municipalities</b>	<b>2,858,418</b>	<b>2,927,287</b>	<b>2,956,987</b>	<b>167,125</b>	<b>173,717</b>	<b>181,207</b>	<b>42,614</b>	<b>44,853</b>	<b>46,133</b>	<b>40,133</b>	<b>40,133</b>	<b>40,133</b>	<b>467,900</b>	<b>427,716</b>	<b>473,819</b>	<b>468,418</b>	<b>-</b>	<b>3,068,157</b>	<b>3,145,857</b>	<b>3,184,327</b>
B	LIM34 Midsi	223,632	226,747	225,741	-	-	-	5,491	5,715	5,945	-	-	-	102,538	66,754	120,946	71,106	-	229,123	232,862	231,666
B	LIM34 Thulamela	604,095	601,590	588,474	-	-	-	18,562	19,319	20,094	-	-	-	245,246	159,659	286,298	174,852	-	622,657	622,809	608,508
B	LIM34 Makhado	509,837	511,679	502,584	-	-	-	16,274	16,937	17,617	-	-	-	210,695	141,072	253,296	154,496	-	509,837	511,679	502,584
B	LIM34 CollinsChabane	469,865	474,406	464,406	-	-	-	11,754	12,140	12,526	-	-	-	192,234	125,140	238,724	137,649	-	469,865	474,406	464,406
C	DC34 Vhembe District Municipality	1,367,966	1,451,211	1,539,453	108,603	112,886	117,754	-	-	-	-	-	-	-	-	-	-	-	1,514,623	1,544,607	1,629,457
	<b>Total Vhembe Municipalities</b>	<b>2,201,549</b>	<b>2,287,733</b>	<b>2,334,948</b>	<b>108,603</b>	<b>112,886</b>	<b>117,754</b>	<b>40,133</b>	<b>41,971</b>	<b>43,656</b>	<b>40,133</b>	<b>40,133</b>	<b>40,133</b>	<b>756,704</b>	<b>492,625</b>	<b>821,658</b>	<b>539,504</b>	<b>-</b>	<b>3,249,479</b>	<b>3,342,890</b>	<b>3,498,558</b>
B	LIM41 Bhebe	216,199	233,676	224,982	-	-	-	10,067	10,478	10,889	-	-	-	83,341	54,356	90,485	59,419	-	246,246	244,154	238,481
B	LIM41 Moseley	180,772	178,420	171,599	-	-	-	7,131	7,520	7,927	-	-	-	62,514	40,697	67,880	44,570	-	187,593	186,400	179,526
B	LIM45 Polokwane	1,407,843	1,481,766	1,551,725	-	-	-	13,727	14,388	14,862	-	-	-	111,514	72,897	121,086	79,506	-	1,407,843	1,481,766	1,551,725
B	LIM35 Lepelle-Nkomo	322,780	318,346	304,535	-	-	-	340,974	340,974	340,974	-	-	-	-	-	-	-	-	336,507	332,614	319,977
C	DC35 Capricorn District Municipality	499,526	527,718	555,931	314,476	326,880	340,974	-	-	-	-	-	-	-	-	-	-	-	814,002	854,598	896,907
	<b>Total Capricorn Municipalities</b>	<b>2,646,620</b>	<b>2,739,926</b>	<b>2,808,372</b>	<b>314,476</b>	<b>326,880</b>	<b>340,974</b>	<b>31,115</b>	<b>32,886</b>	<b>34,688</b>	<b>31,688</b>	<b>31,688</b>	<b>31,688</b>	<b>257,360</b>	<b>167,551</b>	<b>279,461</b>	<b>183,495</b>	<b>-</b>	<b>2,992,211</b>	<b>3,099,192</b>	<b>3,183,034</b>
B	LIM61 Thabazimbi	140,088	150,611	161,967	-	-	-	5,292	5,907	6,522	-	-	-	-	-	-	-	-	145,380	156,118	167,694
B	LIM62 Lephalale	241,654	254,298	266,236	-	-	-	3,919	4,078	4,241	-	-	-	-	-	-	-	-	241,654	254,298	266,236
B	LIM66 Bela-Bela	134,070	140,137	145,465	-	-	-	6,094	6,361	6,628	-	-	-	-	-	-	-	-	137,989	144,215	149,706
B	LIM67 Mogalakwena	609,555	623,166	637,713	-	-	-	6,958	7,283	7,620	-	-	-	-	-	-	-	-	609,555	623,166	637,713
B	LIM68 Madibole-Mookgongong	154,561	161,999	168,752	-	-	-	106,158	106,158	106,158	-	-	-	-	-	-	-	-	154,561	161,999	168,752
C	DC36 Waterberg District Municipality	49,895	48,702	46,401	-	-	-	16,109	16,670	17,231	-	-	-	-	-	-	-	-	49,895	48,702	46,401
	<b>Total Waterberg Municipalities</b>	<b>1,329,823</b>	<b>1,380,913</b>	<b>1,421,194</b>	<b>97,908</b>	<b>101,770</b>	<b>106,158</b>	<b>16,109</b>	<b>16,670</b>	<b>17,231</b>	<b>16,670</b>	<b>16,670</b>	<b>16,670</b>	<b>106,158</b>	<b>83,341</b>	<b>90,485</b>	<b>94,419</b>	<b>-</b>	<b>1,443,900</b>	<b>1,499,853</b>	<b>1,544,940</b>
B	LIM71 Ephraim Mogale	194,521	192,951	186,177	-	-	-	13,986	14,556	15,140	-	-	-	69,571	45,292	75,543	49,602	-	200,571	200,571	194,104
B	LIM72 Ellis Mosoteledi	363,704	359,521	345,080	-	-	-	14,185	14,764	15,348	-	-	-	129,402	84,343	140,510	92,259	-	377,690	374,077	360,220
B	LIM73 Makhuduthamaga	348,869	345,100	331,443	-	-	-	8,485	8,694	8,919	-	-	-	124,866	85,110	135,585	89,025	-	363,154	359,864	346,801
B	LIM76 Fetakgomo Tlosete	617,179	612,972	592,437	-	-	-	141,228	141,228	141,228	-	-	-	233,947	152,305	254,029	166,796	-	617,179	612,972	592,437
C	DC47 Sekhukhune District Municipality	1,009,919	1,116,024	1,201,253	135,390	135,390	141,228	-	-	-	-	-	-	-	-	-	-	-	1,139,344	1,206,910	1,277,252
	<b>Total Sekhukhune Municipalities</b>	<b>2,533,464</b>	<b>2,592,084</b>	<b>2,691,161</b>	<b>130,253</b>	<b>135,390</b>	<b>141,228</b>	<b>35,492</b>	<b>36,940</b>	<b>38,425</b>	<b>36,940</b>	<b>36,940</b>	<b>36,940</b>	<b>357,787</b>	<b>303,127</b>	<b>405,666</b>	<b>397,683</b>	<b>-</b>	<b>2,699,209</b>	<b>2,754,114</b>	<b>2,779,814</b>
B	LIM8874	12,568,874	12,917,943	13,112,862	818,365	880,643	887,321	165,717	172,520	179,490	-	-	-	2,228,859	1,451,018	2,420,181	1,589,100	-	13,552,958	13,941,166	14,179,473
<b>MPUMALANGA</b>																					
B	MP301 Chief Albert Luthuli	423,076	442,065	445,935	-	-	-	11,241	11,698	12,168	-	-	-	-	-	-	-	-	443,317	453,763	458,103
B	MP302 Mookgongong	270,341	286,333	302,560	-	-	-	8,694	9,049	9,413	-	-	-	-	-	-	-	-	270,341	286,333	302,560
B	MP303 Mookgongong	344,568	356,358	364,754	-	-	-	4,835	5,031	5,232	-	-	-	-	-	-	-	-	344,568	356,358	364,754
B	MP305 Ficksburg	162,895	167,246	170,101	-	-	-	2,913	3,033	3,156	-	-	-	-	-	-	-	-	162,895	167,246	170,101
B	MP306 Lejale	179,590	189,946	200,499	-	-	-	3,156	3,276	3,396	-	-	-	-	-	-	-	-	179,590	189,946	200,499
B	MP307 Dintshani	103,201	106,550	108,834	-	-	-	342,994	342,994	342,994	-	-	-	-	-	-	-	-	106,114	109,883	111,900
B	MP307 Goson Mbeki	458,066	494,213	533,758	-	-	-	17,650	18,238	18,826	-	-	-	-	-	-	-	-	458,066	494,213	533,758
C	DC30 Great Shabane District Municipality	17,650	17,288	16,432	316,338	328,815	342,994	-	-	-	-	-	-	-	-	-	-	-	333,988	346,103	359,426
	<b>Total Great Shabane Municipalities</b>	<b>1,967,747</b>	<b>2,059,977</b>	<b>2,142,575</b>	<b>316,338</b>	<b>328,815</b>	<b>342,994</b>	<b>27,683</b>	<b>28,811</b>	<b>29,969</b>	<b>27,683</b>	<b>27,683</b>	<b>27,683</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,311,768</b>	<b>2,417,623</b>	<b>2,515,536</b>
B	MP311 Victor Khanye	145,905	153,047	159,893	-	-	-	3,919	4,078	4,241	-	-	-	-	-	-	-	-	149,824	157,125	163,834
B	MP312 Emalaheni	600,014	647,363	699,163	-	-	-	3,671	3,821	3,975	-	-	-	-	-	-	-	-	600,014	647,363	699,163
B	MP313 Steve Tshwete	350,175	377,808	408,039	-	-	-	6,172	6,322	6,472	-	-	-	-	-	-	-	-	350,175	377,808	408,039
B	MP314 Enkhabuzi	89,214	92,933	96,044	-	-	-	14,185	14,764	15,348	-	-	-	-	-	-	-	-	89,214	92,933	96,044
B	MP315 Thembale Hill	592,128	608,296	617,022	-	-	-	3,156	3,276	3,396	-	-	-	-	-	-	-	-	592,128	608,296	617,022
B	MP316 Dr J.S. Moroka	506,378	514,198	513,328	-	-	-	391,888	391,888	391,888	-	-	-	-	-	-	-	-	506,378	514,198	513,328
C	DC31 Nkangala District Municipality	32,803	31,920	30,464	377,017	391,888	408,785	-</													





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			
		2024/25 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2023/24 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2024/25 (R'000)	2023/24 (R'000)
<b>WESTERN CAPE</b>																	
A	CPT - City of Cape Town	4 365 700	4 710 208	5 087 103	-	-	-	-	-	-	-	-	-	-	4 365 700	4 710 208	5 087 103
B	WC011 Matzikama	78 178	83 979	90 218	-	-	-	-	-	-	-	-	-	-	81 640	87 581	93 964
B	WC012 Cederberg	68 845	73 062	77 326	-	-	-	-	-	-	-	-	-	-	71 545	75 872	80 249
B	WC013 Bergvlei	65 082	70 218	75 837	-	-	-	-	-	-	-	-	-	-	68 086	73 344	79 087
B	WC014 Saldanha Bay	132 258	142 897	153 640	-	-	-	-	-	-	-	-	-	-	138 465	148 957	160 358
B	WC015 Swartland	153 764	168 898	179 172	-	-	-	-	-	-	-	-	-	-	153 764	168 898	179 172
C	DCL - West Coast District Municipality	25 334	24 723	23 363	64 274	87 598	91 375	-	-	-	-	-	-	-	109 608	112 321	114 738
	<b>Total West Coast District Municipality</b>	<b>523 461</b>	<b>569 377</b>	<b>599 506</b>	<b>64 274</b>	<b>87 598</b>	<b>91 375</b>	<b>15 373</b>	<b>15 398</b>	<b>16 637</b>	-	-	-	-	<b>623 708</b>	<b>669 773</b>	<b>707 505</b>
B	WC022 Wittenberg	145 706	157 204	169 783	-	-	-	-	-	-	-	-	-	-	145 706	157 204	169 783
B	WC023 Dordrecht	231 574	249 848	269 840	-	-	-	-	-	-	-	-	-	-	231 574	249 848	269 840
B	WC024 Saldanha	215 604	232 617	251 231	-	-	-	-	-	-	-	-	-	-	215 604	232 617	251 231
B	WC025 Breeds Valley	174 394	188 156	203 212	-	-	-	-	-	-	-	-	-	-	174 394	188 156	203 212
B	WC026 Langeberg	108 442	116 463	125 082	-	-	-	-	-	-	-	-	-	-	113 734	121 970	130 809
C	DC2 - Cape Winelands District Municipality	3 174	3 089	2 907	260 486	270 761	282 435	5 292	5 807	5 727	-	-	-	-	263 660	273 850	285 342
	<b>Total Cape Winelands District Municipality</b>	<b>878 894</b>	<b>947 377</b>	<b>1 022 055</b>	<b>260 486</b>	<b>270 761</b>	<b>282 435</b>	<b>5 292</b>	<b>5 807</b>	<b>5 727</b>	-	-	-	-	<b>1 144 672</b>	<b>1 223 645</b>	<b>1 310 217</b>
B	WC031 Theewaterskloof	140 900	150 354	160 211	-	-	-	-	-	-	-	-	-	-	140 900	150 354	160 211
B	WC032 Overstrand	162 587	173 136	184 011	-	-	-	-	-	-	-	-	-	-	168 794	179 596	190 729
B	WC033 Cape Agulhas	40 373	43 091	45 931	-	-	-	-	-	-	-	-	-	-	43 073	45 901	48 854
B	WC034 Swellendam	43 712	46 712	49 864	-	-	-	-	-	-	-	-	-	-	46 412	49 522	52 787
C	DC3 - Overberg District Municipality	28 307	27 431	25 637	58 337	60 638	63 252	-	-	-	-	-	-	-	86 644	88 069	88 889
	<b>Total Overberg District Municipality</b>	<b>415 679</b>	<b>440 724</b>	<b>465 654</b>	<b>58 337</b>	<b>60 638</b>	<b>63 252</b>	<b>11 607</b>	<b>12 800</b>	<b>12 564</b>	-	-	-	-	<b>485 823</b>	<b>513 442</b>	<b>541 470</b>
B	WC041 Kamalind	35 750	37 113	38 196	-	-	-	-	-	-	-	-	-	-	37 479	38 912	40 067
B	WC042 Hessequa	132 062	140 222	147 713	-	-	-	-	-	-	-	-	-	-	133 158	141 348	149 244
B	WC043 Mossel Bay	132 474	141 475	150 766	-	-	-	-	-	-	-	-	-	-	134 973	144 358	154 059
B	WC044 George	230 423	246 859	268 556	-	-	-	-	-	-	-	-	-	-	230 423	246 859	268 556
B	WC045 Simonsbom	97 021	102 382	107 566	-	-	-	-	-	-	-	-	-	-	102 781	108 365	113 789
B	WC047 Bitou	151 144	158 098	164 266	-	-	-	-	-	-	-	-	-	-	154 148	161 224	167 516
B	WC048 Knysna	125 740	131 017	140 208	-	-	-	-	-	-	-	-	-	-	130 575	138 048	145 440
C	DC4 - Garden Route District Municipality	24 350	21 688	22 275	157 874	164 101	171 177	-	-	-	-	-	-	-	182 224	187 789	193 452
	<b>Total Garden Route District Municipality</b>	<b>886 433</b>	<b>908 002</b>	<b>959 846</b>	<b>157 874</b>	<b>164 101</b>	<b>171 177</b>	<b>26 139</b>	<b>27 301</b>	<b>28 290</b>	-	-	-	-	<b>1 040 446</b>	<b>1 099 304</b>	<b>1 159 313</b>
B	WC051 Langeberg	21 425	21 612	22 086	-	-	-	-	-	-	-	-	-	-	22 685	23 224	23 483
B	WC052 Prince Albert	28 570	29 432	29 989	-	-	-	-	-	-	-	-	-	-	30 299	31 231	31 860
B	WC053 Beaufort West	83 664	89 403	92 625	-	-	-	-	-	-	-	-	-	-	88 849	92 718	96 074
C	DC5 - Central Karoo District Municipality	19 806	19 910	17 473	16 092	16 726	17 477	2 987	3 125	3 258	-	-	-	-	38 885	38 861	38 208
	<b>Total Central Karoo District Municipality</b>	<b>154 996</b>	<b>159 270</b>	<b>161 699</b>	<b>16 092</b>	<b>16 726</b>	<b>17 477</b>	<b>9 630</b>	<b>10 038</b>	<b>10 449</b>	-	-	-	-	<b>180 718</b>	<b>186 034</b>	<b>189 625</b>
	<b>Total Western Cape District Municipality</b>	<b>7 195 363</b>	<b>7 725 988</b>	<b>8 229 913</b>	<b>577 063</b>	<b>599 824</b>	<b>625 716</b>	<b>68 044</b>	<b>70 824</b>	<b>73 667</b>	-	-	-	-	<b>7 840 467</b>	<b>8 326 006</b>	<b>8 995 296</b>
<b>National Total</b>		<b>98 063 237</b>	<b>102 294 551</b>	<b>106 666 682</b>	<b>6 646 682</b>	<b>6 908 841</b>	<b>7 206 742</b>	<b>1 079 908</b>	<b>1 114 944</b>	<b>1 160 008</b>	<b>7 305 413</b>	<b>4 755 924</b>	<b>23 094</b>	<b>23 094</b>	<b>100 177 734</b>	<b>106 057 022</b>	<b>110 661 361</b>

**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		Breakdown of WSIG allocations for district municipalities authorised for services		Breakdown of WSIG allocations for district municipalities authorised for services	
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2026/27 (R'000)
<b>EASTERN CAPE</b>									
B	EC121 Mbashe	181 968	191 486	209 199	12 565	16 799	18 358	-	-
B	EC122 Mquma	169 405	178 265	194 756	15 706	19 384	19 038	-	-
B	EC123 Great Kei	10 356	10 898	11 906	23 035	29 722	38 075	-	-
B	EC124 Amahlathi	40 706	42 835	46 798	5 235	6 461	6 799	-	-
B	EC126 Ngqushwa	33 340	35 084	38 330	15 706	21 968	23 117	-	-
B	EC129 Raymond Mhlaba	52 736	55 494	60 627	5 278	5 602	4 613	-	-
	<b>Total: Amathole Municipalities</b>	<b>488 511</b>	<b>514 062</b>	<b>561 616</b>	<b>77 525</b>	<b>99 936</b>	<b>110 000</b>	-	-
B	EC131 Imxuba Yethemba	5 879	6 187	6 759	6 000	6 474	6 734	-	-
B	EC135 Intsika Yethu	102 513	107 875	117 854	16 000	15 722	14 042	-	-
B	EC136 Emalahleni	51 675	54 377	59 407	22 000	21 548	19 708	-	-
B	EC137 Dr. A. B. Xuma	94 894	99 858	109 095	8 600	6 491	6 651	-	-
B	EC138 Sakhiszwe	22 939	24 139	26 371	24 000	23 121	20 939	-	-
B	EC139 Enoch Mgijima	48 079	50 593	55 273	7 000	7 399	6 926	-	-
	<b>Total: Chris Hami Municipalities</b>	<b>325 979</b>	<b>343 029</b>	<b>374 759</b>	<b>83 600</b>	<b>80 755</b>	<b>75 000</b>	-	-
B	EC141 Elundini	96 308	101 345	110 720	20 200	21 998	19 024	-	-
B	EC142 Senqu	66 379	69 850	76 312	20 200	21 998	19 024	-	-
B	EC145 Walter Sisulu	12 470	13 122	14 336	20 210	22 004	18 952	-	-
	<b>Total: Joe Gqabi Municipalities</b>	<b>175 157</b>	<b>184 317</b>	<b>201 368</b>	<b>60 610</b>	<b>66 000</b>	<b>57 000</b>	-	-
B	EC153 Ngquzu Hill	163 330	171 873	187 772	35 000	32 726	29 542	-	-
B	EC154 Port St Johns	92 882	97 740	106 781	8 000	10 584	9 530	-	-
B	EC155 Nyandeni	167 200	175 945	192 221	8 000	10 584	9 530	-	-
B	EC156 Mhlontlo	105 157	110 657	120 893	37 000	29 269	25 677	-	-
B	EC157 King Sabata Dalindyebo	193 987	204 133	223 016	12 000	11 837	10 721	-	-
	<b>Total: O.R. Tambo Municipalities</b>	<b>722 556</b>	<b>760 348</b>	<b>830 683</b>	<b>100 000</b>	<b>95 000</b>	<b>85 000</b>	-	-
B	EC441 Matatiele	103 903	109 337	119 451	21 227	17 277	18 623	-	-
B	EC442 Umzimvubu	105 348	110 858	121 113	24 534	19 947	20 665	-	-
B	EC443 Winnie Madikizela-Mandela	152 706	160 693	175 558	29 341	25 212	26 390	-	-
B	EC444 Niabankulu	64 799	68 188	74 496	33 898	27 564	29 322	-	-
	<b>Total: Alfred Nzo Municipalities</b>	<b>426 756</b>	<b>449 076</b>	<b>490 618</b>	<b>109 000</b>	<b>90 000</b>	<b>95 000</b>	-	-
	<b>Total: Eastern Cape Municipalities</b>	<b>2 138 959</b>	<b>2 250 832</b>	<b>2 459 044</b>	<b>430 735</b>	<b>431 691</b>	<b>422 000</b>	-	-

**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			
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	
<b>KWAZULU-NATAL</b>									
B	KZN212 uMdoni	49 807	52 412	57 260	20 000	20 000	25 000	-	-
B	KZN213 uMzumbane	88 423	93 048	101 655	20 000	20 000	20 000	-	-
B	KZN214 uMuziwabantu	39 647	41 721	45 581	20 000	20 000	20 000	-	-
B	KZN216 Ray Nkonyeni	-	-	-	40 000	40 000	45 000	-	-
	<b>Total: uGungundlovu Municipalities</b>	<b>177 877</b>	<b>187 181</b>	<b>204 496</b>	<b>100 000</b>	<b>100 000</b>	<b>110 000</b>	-	-
B	KZN221 uMshwathi	31 339	32 978	36 029	60 000	65 400	63 000	-	-
B	KZN222 uMngeni	20 896	21 989	24 023	7 500	8 400	8 800	-	-
B	KZN223 Mpolana	8 295	8 729	9 537	7 500	8 400	8 800	-	-
B	KZN224 iMpendle	12 086	12 718	13 895	7 500	8 400	8 800	-	-
B	KZN226 Mkhambathini	20 409	21 476	23 463	7 500	8 400	8 800	-	-
B	KZN227 Richmond	19 175	20 178	22 044	10 000	11 000	11 800	-	-
	<b>Total: uMgungundlovu Municipalities</b>	<b>112 200</b>	<b>118 068</b>	<b>128 991</b>	<b>100 000</b>	<b>110 000</b>	<b>110 000</b>	-	-
B	KZN235 Okhahlamba	49 729	52 330	57 171	27 500	27 500	30 250	-	-
B	KZN237 iNkosi Langalibalele	67 194	70 708	77 249	45 000	45 000	49 500	-	-
B	KZN238 Alfred Duma	89 606	94 292	103 015	27 500	27 500	30 250	-	-
	<b>Total: uThukela Municipalities</b>	<b>206 529</b>	<b>217 330</b>	<b>237 435</b>	<b>100 000</b>	<b>100 000</b>	<b>110 000</b>	-	-
B	KZN241 eNdameni	10 312	10 851	11 855	6 212	6 424	7 650	-	-
B	KZN242 Nquthu	54 384	57 228	62 522	6 212	6 424	7 193	-	-
B	KZN244 uMsinga	89 533	94 216	102 932	66 364	71 728	77 732	-	-
B	KZN245 uMvoti	57 050	60 033	65 587	6 212	6 424	7 425	-	-
	<b>Total: uMzinyathi Municipalities</b>	<b>211 279</b>	<b>222 328</b>	<b>242 896</b>	<b>85 000</b>	<b>91 000</b>	<b>100 000</b>	-	-
B	KZN253 eMadlangeni	11 573	12 179	13 305	60 000	70 000	70 000	-	-
B	KZN254 Dannhauser	30 171	31 749	34 686	25 000	30 000	30 000	-	-
	<b>Total: AmaJoba Municipalities</b>	<b>41 744</b>	<b>43 928</b>	<b>47 991</b>	<b>85 000</b>	<b>100 000</b>	<b>100 000</b>	-	-

**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							
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	
	<b>Total: Zululand Municipalities</b>	<b>254 543</b>	<b>267 856</b>	<b>292 633</b>	<b>100 000</b>	<b>100 000</b>	<b>115 000</b>	-	-	-	-	-	-	-
B	KZN271 uMhlabuyalingana	67 804	71 550	77 951	-	-	-	-	-	-	-	50 000	66 050	125 000
B	KZN272 Jozini	81 239	85 488	93 396	-	-	-	-	-	-	-	50 000	57 331	95 458
B	KZN275 Mtubatuba	61 203	64 404	70 361	-	-	-	-	-	-	-	50 000	44 400	96 218
B	KZN276 Big Five Hlabisa	31 439	33 083	36 144	-	-	-	-	-	-	-	50 000	67 550	140 979
	<b>Total: uMkhanyakude Municipalities</b>	<b>241 685</b>	<b>254 325</b>	<b>277 852</b>	-	-	-	-	-	-	-	<b>200 000</b>	<b>235 331</b>	<b>457 655</b>
B	KZN281 uMfolozi	36 683	38 602	42 173	25 000	55 000	29 000	25 000	17 000	29 000	29 000	-	-	-
B	KZN284 uMlalazi	83 352	87 712	95 825	25 000	17 000	29 000	25 000	14 000	28 500	28 500	-	-	-
B	KZN285 Mthonjaneni	31 909	33 578	36 684	25 000	14 000	28 500	25 000	14 000	28 500	28 500	-	-	-
B	KZN286 Nkandla	39 552	41 621	45 471	25 000	14 000	28 500	25 000	14 000	28 500	28 500	-	-	-
	<b>Total: King Cetshwayo Municipalities</b>	<b>191 496</b>	<b>201 513</b>	<b>220 153</b>	<b>100 000</b>	<b>100 000</b>	<b>115 000</b>	-	-	-	-	-	-	-
B	KZN291 Mandeni	47 270	49 742	54 344	25 000	25 000	28 227	25 000	25 000	28 227	28 227	-	-	-
B	KZN292 KwaDukuza	71 066	74 783	81 700	25 000	25 000	29 273	25 000	25 000	29 273	29 273	-	-	-
B	KZN293 Ndwedwe	49 407	51 992	56 801	25 000	25 000	29 273	25 000	25 000	29 273	29 273	-	-	-
B	KZN294 Maphumulo	48 807	51 360	56 111	25 000	25 000	28 227	25 000	25 000	28 227	28 227	-	-	-
	<b>Total: iLembe Municipalities</b>	<b>216 550</b>	<b>227 877</b>	<b>248 956</b>	<b>100 000</b>	<b>100 000</b>	<b>115 000</b>	-	-	-	-	-	-	-
B	KZN433 Greater Kokstad	11 821	12 440	13 590	5 000	5 000	5 227	5 000	5 000	5 227	5 227	-	-	-
B	KZN434 uBuhlebezwe	53 104	55 881	61 050	40 000	40 000	47 046	40 000	40 000	47 046	47 046	-	-	-
B	KZN435 uMzimkhulu	109 299	115 016	125 655	50 000	50 000	57 500	50 000	50 000	57 500	57 500	-	-	-
B	KZN436 Dr-Nkosazana Dlamini Zuma	51 398	54 086	59 090	5 000	5 000	5 227	5 000	5 000	5 227	5 227	-	-	-
	<b>Total: Harry Gwala Municipalities</b>	<b>225 622</b>	<b>237 423</b>	<b>259 385</b>	<b>100 000</b>	<b>100 000</b>	<b>115 000</b>	-	-	-	-	-	-	-
	<b>Total: KwaZulu-Natal Municipalities</b>	<b>1 879 525</b>	<b>1 977 829</b>	<b>2 160 788</b>	<b>870 000</b>	<b>901 000</b>	<b>990 000</b>	<b>200 000</b>	<b>235 331</b>	<b>457 655</b>	<b>457 655</b>	<b>200 000</b>	<b>235 331</b>	<b>457 655</b>

**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		Breakdown of MIG allocations for district municipalities authorised for services		Breakdown of WSIG allocations for district municipalities authorised for services		
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	National and Municipal Financial Year	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	National and Municipal Financial Year	
<b>LIMPOPO</b>										
B	LIM331 Greater Giyani	130 181	136 990	149 662	47 998	-	-	93 310	96 000	100 416
B	LIM332 Greater Letaba	103 309	108 712	118 769	-	-	-	-	-	-
B	LIM333 Greater Tzaneen	205 151	215 881	235 851	-	-	-	-	-	-
B	LIM334 Ba-Phalaborwa	36 867	38 795	42 384	-	-	-	-	-	-
B	LIM335 Manuleg	44 159	46 468	50 767	-	-	-	-	-	-
	<b>Total: Mopani Municipalities</b>	<b>519 667</b>	<b>546 846</b>	<b>597 433</b>	<b>47 998</b>	-	-	<b>93 310</b>	<b>96 000</b>	<b>100 416</b>
B	LIM341 Musina	31 938	33 609	36 718	4 244	7 619	8 308	-	-	-
B	LIM343 Thulamela	214 863	226 101	247 016	65 873	102 360	117 813	-	-	-
B	LIM344 Makhado	183 596	193 199	211 071	4 244	7 619	8 308	-	-	-
B	LIM345 Collins Chabane	159 108	167 429	182 917	4 244	7 619	8 308	-	-	-
	<b>Total: Vhembe Municipalities</b>	<b>589 505</b>	<b>620 338</b>	<b>677 722</b>	<b>78 605</b>	<b>125 217</b>	<b>142 737</b>	-	-	-
B	LIM351 Bloubaerg	92 140	96 959	105 928	33 000	23 000	18 022	-	-	-
B	LIM353 Molemole	61 504	64 721	70 708	45 000	42 000	42 000	-	-	-
B	LIM355 Lepelle-Nkumpi	107 578	113 205	123 677	29 000	15 000	15 000	-	-	-
	<b>Total: Capricorn Municipalities</b>	<b>261 222</b>	<b>274 885</b>	<b>300 313</b>	<b>107 000</b>	<b>80 000</b>	<b>75 022</b>	-	-	-
B	LIM471 Ephraim Mogale	54 149	56 981	62 252	3 671	4 009	4 152	10 000	12 000	13 000
B	LIM472 Elias Moseledi	130 203	137 014	149 688	3 671	4 009	4 152	15 000	19 000	18 220
B	LIM473 Makhoduthamaga	148 617	156 390	170 857	19 092	20 844	22 421	15 000	19 000	18 000
B	LIM476 Ficksburg Tubatse	210 585	221 599	242 098	17 529	19 138	21 297	23 531	20 000	24 000
	<b>Total: Sekhukhune Municipalities</b>	<b>543 554</b>	<b>571 984</b>	<b>624 895</b>	<b>43 963</b>	<b>48 000</b>	<b>52 022</b>	<b>63 531</b>	<b>70 000</b>	<b>73 220</b>
	<b>Total: Limpopo Municipalities</b>	<b>1 913 948</b>	<b>2 014 053</b>	<b>2 200 363</b>	<b>277 566</b>	<b>253 217</b>	<b>269 781</b>	<b>156 841</b>	<b>166 000</b>	<b>173 636</b>
<b>NORTH WEST</b>										
B	NW381 Ratlou	55 888	58 811	64 251	-	-	-	-	-	-
B	NW382 Tswaing	43 315	45 580	49 796	-	-	-	-	-	-
B	NW383 Matfikeng	125 016	131 555	143 724	-	-	-	-	-	-
B	NW384 Ditsobotla	51 855	54 568	59 615	-	-	-	-	-	-
B	NW385 Ramotshere Moiloa	64 853	68 245	74 558	-	-	-	118 188	142 378	142 378
	<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>340 927</b>	<b>358 759</b>	<b>391 944</b>	-	-	-	<b>118 188</b>	<b>142 378</b>	<b>142 378</b>
B	NW392 Naledi	13 398	14 099	15 403	6 000	8 247	9 087	-	-	-
B	NW393 Mamusa	11 405	12 001	13 111	18 000	24 659	25 608	-	-	-
B	NW394 Greater Taung	82 833	87 165	95 229	6 000	8 248	9 087	-	-	-
B	NW396 Lekwa-Teemane	4 681	4 926	5 381	45 000	37 113	38 218	-	-	-
B	NW397 Kagisano-Molapo	42 166	44 374	48 482	-	-	-	-	-	-
	<b>Total: Dr. Ruth Segomotsi Mompati Municipalities</b>	<b>154 483</b>	<b>162 565</b>	<b>177 606</b>	<b>75 000</b>	<b>78 267</b>	<b>82 000</b>	-	-	-
	<b>Total: North West Municipalities</b>	<b>495 410</b>	<b>521 324</b>	<b>569 550</b>	<b>75 000</b>	<b>78 267</b>	<b>82 000</b>	<b>118 188</b>	<b>142 378</b>	<b>142 378</b>
	<b>National Total</b>	<b>6 427 842</b>	<b>6 764 038</b>	<b>7 389 745</b>	<b>1 653 301</b>	<b>1 664 175</b>	<b>1 763 781</b>	<b>475 029</b>	<b>543 709</b>	<b>773 669</b>

**APPENDIX W3**

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

**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**  
**RING-FENCED FUNDING FOR SPORT INFRASTRUCTURE - BREAKDOWN PER MUNICIPALITY**

Category	Municipality	Project	Ring-fenced Municipal Infrastructure Grant allocations for sport infrastructure			
			National and Municipal Financial Year			
			2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	
<b>EASTERN CAPE</b>						
B	EC106	Sundays River Valley	Construction of Nomathamsanqa sport facility	10 000	-	-
<b>Total: Sarah Baartman Municipalities</b>			<b>10 000</b>	-	-	
B	EC124	Amahlathi	Construction of Mlungisi sport field	4 900	-	-
<b>Total: Amathole Municipalities</b>			<b>4 900</b>	-	-	
B	EC138	Sakhisizwe	Construction of Cala sport field	10 000	-	-
<b>Total: Chris Hani Municipalities</b>			<b>10 000</b>	-	-	
B	EC142	Senqu	Construction of Blue Gums sport facility	10 000	-	-
<b>Total: Joe Gqabi Municipalities</b>			<b>10 000</b>	-	-	
B	EC153	Ngquza Hill	Construction of Zone 5 sport field	10 000	-	-
<b>Total: O.R. Tambo Municipalities</b>			<b>10 000</b>	-	-	
B	EC444	Ntabankulu	Construction of Ntabankulu sports field - Phase 3	10 000	-	-
<b>Total: Alfred Nzo Municipalities</b>			<b>10 000</b>	-	-	
<b>Total: Eastern Cape Municipalities</b>			<b>54 900</b>	-	-	
<b>FREE STATE</b>						
B	FS161	Letsemeng	Construction of Bolokanang sport field	8 000	-	-
B	FS163	Mohokare	Construction of Roleleathunya sport facility	3 400	-	-
<b>Total: Xhariep Municipalities</b>			<b>11 400</b>	-	-	
B	FS183	Tswelopele	Upgrading of Phahameng stadium	10 000	-	-
B	FS185	Nala	Upgrading of Nala sport facilities	10 000	-	-
<b>Total: Lejweleputswa Municipalities</b>			<b>20 000</b>	-	-	
B	FS194	Maluti-a-Phofung	Upgrading of Harrismith swimming pool	8 000	-	-
<b>Total: Thabo Mofutsanyana Municipalities</b>			<b>8 000</b>	-	-	
<b>Total: Free State Municipalities</b>			<b>39 400</b>	-	-	
<b>GAUTENG</b>						
B	GT422	Midvaal	Construction and installation of recreational equipment for various parks in Midvaal	10 000	-	-
B	GT423	Lesedi	Upgrading of Ratanda sport and recreation sport facility	10 000	-	-
<b>Total: Sedibeng Municipalities</b>			<b>20 000</b>	-	-	
B	GT485	Rand West City	Upgrading of Toekomsrus stadium	10 000	-	-
<b>Total: West Rand Municipalities</b>			<b>10 000</b>	-	-	
<b>Total: Gauteng Municipalities</b>			<b>30 000</b>	-	-	
<b>KWAZULU-NATAL</b>						
B	KZN212	uMdoni	Upgrading of Umzinto sport field - Phase 2	3 000	-	-
<b>Total: Ugu Municipalities</b>			<b>3 000</b>	-	-	
B	KZN235	Okhahlamba	Upgrading of Bergville sport field	10 000	-	-
B	KZN238	Alfred Duma	Construction of Ladysmith high performance center	10 000	-	-
<b>Total: uThukela Municipalities</b>			<b>20 000</b>	-	-	
B	KZN242	Nquthu	Construction of Nondweni sport field - Phase 2	10 000	-	-
B	KZN245	uMvoti	Construction of Mbangweni sport field	10 000	-	-
<b>Total: uMzinyathi Municipalities</b>			<b>20 000</b>	-	-	
B	KZN262	uPhongolo	Construction of Belgrafe fitness centre	8 000	-	-
<b>Total: Zululand Municipalities</b>			<b>8 000</b>	-	-	
B	KZN281	uMfolozi	Construction of Nzalabantu sport field	7 200	-	-
B	KZN284	uMlalazi	Construction of Tap-Tap Makhathini boxing center	10 000	-	-
<b>Total: King Cetshwayo Municipalities</b>			<b>17 200</b>	-	-	
B	KZN435	uMzimkhulu	Construction of sport field in Khiliva	9 000	-	-
<b>Total: Harry Gwala Municipalities</b>			<b>9 000</b>	-	-	
<b>Total: KwaZulu-Natal Municipalities</b>			<b>77 200</b>	-	-	
<b>LIMPOPO</b>						
B	LIM332	Greater Letaba	Installations of Outdoor gyms in Bodupe, Matshwi and Rotterdam communities	4 700	-	-
B	LIM335	Maruleng	Construction of Maruleng indoor sport centre	10 000	-	-
<b>Total: Mopani Municipalities</b>			<b>14 700</b>	-	-	
B	LIM368	Modimolle-Mookgophong	Construction of Mogopong sport facility	10 000	-	-
<b>Total: Waterberg Municipalities</b>			<b>10 000</b>	-	-	
B	LIM471	Ephraim Mogale	Construction of Matlakereng sport facility	10 000	-	-
B	LIM472	Elias Motosoledi	Upgrading of Tafelkop stadium	10 000	-	-
B	LIM476	Fetakgomo Tubatse	Construction of Kgopaneng Sports hub and Strydkraal sports hub	10 000	-	-
<b>Total: Sekhukhune Municipalities</b>			<b>30 000</b>	-	-	
<b>Total: Limpopo Municipalities</b>			<b>54 700</b>	-	-	



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

			Ring-fenced Municipal Infrastructure Grant allocations for sport infrastructure		
			National and Municipal Financial Year		
Category	Municipality	Project	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>MPUMALANGA</b>					
B	MP301	Chief Albert Luthuli	Upgrading of Mpuluzi stadium	10 000	-
B	MP304	Dr Pixley ka Isaka Seme	Construction of combi-courts	4 000	-
B	MP306	Dipaleseng	Construction of siyathemba stadium	5 000	-
B	MP307	Govan Mbeki	Upgrading of Lebohang Stadium	10 000	-
<b>Total: Gert Sibande Municipalities</b>			<b>29 000</b>	-	-
B	MP314	Emakhazeni	Upgrading of Sakhelwe community stadium	10 000	-
B	MP315	Thembisile Hani	Upgrading of KwaMhlanga stadium	10 000	-
<b>Total: Nkangala Municipalities</b>			<b>20 000</b>	-	-
B	MP325	Bushbuckridge	Construction of Love and Peace ground	1 800	-
<b>Total: Ehlanzeni Municipalities</b>			<b>1 800</b>	-	-
<b>Total: Mpumalanga Municipalities</b>			<b>50 800</b>	-	-
<b>NORTHERN CAPE</b>					
B	NC065	Hantam	Upgrading of Brandvlei sport facility	10 000	-
<b>Total: Namakwa Municipalities</b>			<b>10 000</b>	-	-
B	NC078	Siyancuma	Construction of Siyancuma sport facility	8 000	-
<b>Total: Pixley Ka Seme Municipalities</b>			<b>8 000</b>	-	-
B	NC084	!Kheis	Upgrading of Sternham sports and recreational facility	10 000	-
<b>Total: Z.F. Mgcawu Municipalities</b>			<b>10 000</b>	-	-
B	NC093	Magareng	Upgrading of Ikhutseng sport complex	10 000	-
B	NC094	Phokwane	Upgrading of the Ganspan sporting complex	10 000	-
<b>Total: Frances Baard Municipalities</b>			<b>20 000</b>	-	-
B	NC453	Gamagara	Upgrading of Gamagara sport facility	10 000	-
<b>Total: John Taolo Gaetsewe Municipalities</b>			<b>10 000</b>	-	-
<b>Total: Northern Cape Municipalities</b>			<b>58 000</b>	-	-
<b>NORTH WEST</b>					
B	NW374	Kgetlengrivier	Upgrading of Borolelo sport facility	10 000	-
<b>Total: Bojanala Platinum Municipalities</b>			<b>10 000</b>	-	-
B	NW381	Ratlou	Construction of Matloding and Logageng sports facility	10 000	-
B	NW382	Tswaing	Upgrading of the Delareyville sports complex	10 000	-
<b>Total: Ngaka Modiri Molema Municipalities</b>			<b>20 000</b>	-	-
B	NW392	Naledi	Construction of Rekgarathile sports ground	9 000	-
B	NW393	Mamusa	Construction of Mоторo sport facility	10 000	-
B	NW394	Greater Taung	Construction of Modimiog sport facility	10 000	-
B	NW396	Lekwa-Teemane	Construction of Otlanang sport facility	8 000	-
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>			<b>37 000</b>	-	-
B	NW403	City of Matlosana	Construction of Jouberton sport complex	10 000	-
<b>Total: Dr Kenneth Kaunda Municipalities</b>			<b>10 000</b>	-	-
<b>Total: North West Municipalities</b>			<b>77 000</b>	-	-
<b>WESTERN CAPE</b>					
B	WC015	Swartland	Upgrading of Ilingeletu sport facility	5 000	-
<b>Total: West Coast Municipalities</b>			<b>5 000</b>	-	-
B	WC033	Cape Agulhas	Upgrading of Cape Agulhas Napier sport facility	5 000	-
<b>Total: Overberg Municipalities</b>			<b>5 000</b>	-	-
<b>Total: Western Cape Municipalities</b>			<b>10 000</b>	-	-
Unallocated			-	452 000	452 000
<b>National Total</b>			<b>452 000</b>	<b>452 000</b>	<b>452 000</b>

**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 2024/25	National and Municipal Financial Year		
				2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>EASTERN CAPE</b>						
A	BUF	Buffalo City	30	2 314	-	-
A	NMA	Nelson Mandela Bay	45	3 480	-	-
B	EC101	Dr Beyers Naude	18	1 359	-	-
B	EC102	Blue Crane Route	17	1 280	-	-
B	EC104	Makana	16	1 202	-	-
B	EC105	Ndlambe	17	1 317	-	-
B	EC106	Sundays River Valley	16	1 232	-	-
B	EC108	Kouga	19	1 495	-	-
B	EC109	Kou-Kamma	16	1 258	-	-
C	DC10	Sarah Baartman District Municipality	16	1 200	-	-
<b>Total: Sarah Baartman Municipalities</b>			<b>135</b>	<b>10 343</b>	-	-
B	EC121	Mbhashe	26	1 989	-	-
B	EC122	Mnquma	21	1 610	-	-
B	EC123	Great Kei	16	1 207	-	-
B	EC124	Amahlathi	16	1 211	-	-
B	EC126	Ngqushwa	19	1 448	-	-
B	EC129	Raymond Mhlaba	39	2 983	-	-
C	DC12	Amathole District Municipality	24	1 878	-	-
<b>Total: Amathole Municipalities</b>			<b>161</b>	<b>12 326</b>	-	-
B	EC131	Inxuba Yethemba	19	1 454	-	-
B	EC135	Intsika Yethu	25	1 914	-	-
B	EC136	Emalahleni	23	1 756	-	-
B	EC137	Dr. A.B. Xuma	23	1 792	-	-
B	EC138	Sakhisizwe	18	1 423	-	-
B	EC139	Enoch Mgijima	33	2 503	-	-
C	DC13	Chris Hani District Municipality	28	2 118	-	-
<b>Total: Chris Hani Municipalities</b>			<b>169</b>	<b>12 960</b>	-	-
B	EC141	Elundini	27	2 114	-	-
B	EC142	Senqu	21	1 620	-	-
B	EC145	Walter Sisulu	17	1 309	-	-
C	DC14	Joe Gqabi District Municipality	24	1 836	-	-
<b>Total: Joe Gqabi Municipalities</b>			<b>89</b>	<b>6 879</b>	-	-
B	EC153	Ngquza Hill	21	1 593	-	-
B	EC154	Port St Johns	22	1 676	-	-
B	EC155	Nyandeni	22	1 661	-	-
B	EC156	Mhlontlo	26	1 966	-	-
B	EC157	King Sabata Dalindyebo	42	3 268	-	-
C	DC15	O.R. Tambo District Municipality	50	3 846	-	-
<b>Total: O.R. Tambo Municipalities</b>			<b>183</b>	<b>14 010</b>	-	-
B	EC441	Matatiele	50	3 880	-	-
B	EC442	Umzimvubu	35	2 656	-	-
B	EC443	Winnie Madikizela-Mandela	39	2 981	-	-
B	EC444	Ntabankulu	35	2 675	-	-
C	DC44	Alfred Nzo District Municipality	47	3 603	-	-
<b>Total: Alfred Nzo Municipalities</b>			<b>206</b>	<b>15 795</b>	-	-
<b>Total: Eastern Cape Municipalities</b>			<b>1 018</b>	<b>78 107</b>	-	-

## 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 2024/25	National and Municipal Financial Year		
				2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>FREE STATE</b>						
A	MAN	Mangaung	24	1 839	-	-
B	FS161	Letsemeng	16	1 200	-	-
B	FS162	Kopanong	16	1 200	-	-
B	FS163	Mohokare	16	1 217	-	-
C	DC16	Xhariep District Municipality	16	1 241	-	-
<b>Total: Xhariep Municipalities</b>			<b>64</b>	<b>4 858</b>	-	-
B	FS181	Masilonyana	16	1 200	-	-
B	FS182	Tokologo	16	1 200	-	-
B	FS183	Tswelopele	17	1 335	-	-
B	FS184	Matjhabeng	19	1 460	-	-
B	FS185	Nala	16	1 200	-	-
C	DC18	Lejweleputswa District Municipality	17	1 322	-	-
<b>Total: Lejweleputswa Municipalities</b>			<b>101</b>	<b>7 717</b>	-	-
B	FS191	Setsoto	18	1 394	-	-
B	FS192	Dihlabeng	20	1 552	-	-
B	FS193	Nketoana	16	1 200	-	-
B	FS194	Maluti-a-Phofung	55	4 219	-	-
B	FS195	Phumelela	16	1 234	-	-
B	FS196	Mantsopa	17	1 279	-	-
C	DC19	Thabo Mofutsanyana District Municipality	25	1 913	-	-
<b>Total: Thabo Mofutsanyana Municipalities</b>			<b>167</b>	<b>12 791</b>	-	-
B	FS201	Moqhaka	17	1 299	-	-
B	FS203	Ngwathe	19	1 480	-	-
B	FS204	Metsimaholo	16	1 200	-	-
B	FS205	Mafube	16	1 200	-	-
C	DC20	Fezile Dabi District Municipality	16	1 200	-	-
<b>Total: Fezile Dabi Municipalities</b>			<b>84</b>	<b>6 379</b>	-	-
<b>Total: Free State Municipalities</b>			<b>440</b>	<b>33 584</b>	-	-
<b>GAUTENG</b>						
A	EKU	City of Ekurhuleni	129	9 920	-	-
A	JHB	City of Johannesburg	65	4 967	-	-
A	TSH	City of Tshwane	240	18 468	-	-
B	GT421	Emfuleni	50	3 869	-	-
B	GT422	Midvaal	21	1 619	-	-
B	GT423	Lesedi	16	1 214	-	-
C	DC42	Sedibeng District Municipality	16	1 222	-	-
<b>Total: Sedibeng Municipalities</b>			<b>103</b>	<b>7 924</b>	-	-
B	GT481	Mogale City	33	2 501	-	-
B	GT484	Merafong City	16	1 232	-	-
B	GT485	Rand West City	22	1 728	-	-
C	DC48	West Rand District Municipality	16	1 250	-	-
<b>Total: West Rand Municipalities</b>			<b>87</b>	<b>6 711</b>	-	-
<b>Total: Gauteng Municipalities</b>			<b>624</b>	<b>47 990</b>	-	-

## 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 2024/25	National and Municipal Financial Year		
			2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>KWAZULU-NATAL</b>					
A	ETH eThekweni	244	18 790	-	-
B	KZN212 uMdoni	16	1 249	-	-
B	KZN213 uMzombe	18	1 400	-	-
B	KZN214 uMuziwabantu	19	1 497	-	-
B	KZN216 Ray Nkonyeni	42	3 255	-	-
C	DC21 Ugu District Municipality	37	2 864	-	-
<b>Total: Ugu Municipalities</b>		<b>132</b>	<b>10 265</b>	-	-
B	KZN221 uMshwathi	23	1 760	-	-
B	KZN222 uMngeni	17	1 336	-	-
B	KZN223 Mpofana	16	1 267	-	-
B	KZN224 iMpendle	21	1 645	-	-
B	KZN225 Msunduzi	27	2 092	-	-
B	KZN226 Mkhambathini	20	1 541	-	-
B	KZN227 Richmond	18	1 410	-	-
C	DC22 uMgungundlovu District Municipality	25	1 889	-	-
<b>Total: uMgungundlovu Municipalities</b>		<b>167</b>	<b>12 940</b>	-	-
B	KZN235 Okhahlamba	35	2 657	-	-
B	KZN237 iNkosi Langalibalele	23	1 807	-	-
B	KZN238 Alfred Duma	32	2 471	-	-
C	DC23 uThukela District Municipality	22	1 685	-	-
<b>Total: uThukela Municipalities</b>		<b>112</b>	<b>8 620</b>	-	-
B	KZN241 eNdumeni	20	1 561	-	-
B	KZN242 Nquthu	19	1 478	-	-
B	KZN244 uMsinga	43	3 287	-	-
B	KZN245 uMvoti	28	2 115	-	-
C	DC24 uMzinyathi District Municipality	70	5 349	-	-
<b>Total: uMzinyathi Municipalities</b>		<b>180</b>	<b>13 790</b>	-	-
B	KZN252 Newcastle	25	1 896	-	-
B	KZN253 eMadlangeni	17	1 331	-	-
B	KZN254 Dannhauser	23	1 770	-	-
C	DC25 Amajuba District Municipality	20	1 551	-	-
<b>Total: Amajuba Municipalities</b>		<b>85</b>	<b>6 548</b>	-	-
B	KZN261 eDumbe	19	1 482	-	-
B	KZN262 uPhongolo	26	1 990	-	-
B	KZN263 AbaQulusi	23	1 793	-	-
B	KZN265 Nongoma	30	2 307	-	-
B	KZN266 Ulundi	31	2 420	-	-
C	DC26 Zululand District Municipality	68	5 227	-	-
<b>Total: Zululand Municipalities</b>		<b>197</b>	<b>15 219</b>	-	-
B	KZN271 uMhlabuyalingana	32	2 452	-	-
B	KZN272 Jozini	48	3 674	-	-
B	KZN275 Mtubatuba	29	2 226	-	-
B	KZN276 Big Five Hlabisa	25	1 909	-	-
C	DC27 uMkhanyakude District Municipality	56	4 270	-	-
<b>Total: uMkhanyakude Municipalities</b>		<b>190</b>	<b>14 531</b>	-	-
B	KZN281 uMfolozi	27	2 099	-	-
B	KZN282 uMhlathuze	35	2 674	-	-
B	KZN284 uMlalazi	36	2 787	-	-
B	KZN285 Mthonjaneni	29	2 243	-	-
B	KZN286 Nkandla	32	2 477	-	-
C	DC28 King Cetshwayo District Municipality	53	4 040	-	-
<b>Total: King Cetshwayo Municipalities</b>		<b>212</b>	<b>16 320</b>	-	-
B	KZN291 Mandeni	24	1 815	-	-
B	KZN292 KwaDukuza	21	1 589	-	-
B	KZN293 Ndwedwe	27	2 067	-	-
B	KZN294 Maphumulo	20	1 536	-	-
C	DC29 iLembe District Municipality	40	3 071	-	-
<b>Total: iLembe Municipalities</b>		<b>132</b>	<b>10 078</b>	-	-
B	KZN433 Greater Kokstad	22	1 657	-	-
B	KZN434 uBuhlebezwe	21	1 620	-	-
B	KZN435 uMzimkhulu	32	2 471	-	-
B	KZN436 Dr Nkosazana Dlamini Zuma	24	1 832	-	-
C	DC43 Harry Gwala District Municipality	58	4 460	-	-
<b>Total: Harry Gwala Municipalities</b>		<b>157</b>	<b>12 040</b>	-	-
<b>Total: KwaZulu-Natal Municipalities</b>		<b>1 808</b>	<b>139 141</b>	-	-

## 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 2024/25	National and Municipal Financial Year		
			2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>LIMPOPO</b>					
B	LIM331 Greater Giyani	44	3 348	-	-
B	LIM332 Greater Letaba	24	1 874	-	-
B	LIM333 Greater Tzaneen	65	5 011	-	-
B	LIM334 Ba-Phalaborwa	23	1 769	-	-
B	LIM335 Maruleng	21	1 616	-	-
C	DC33 Mopani District Municipality	88	6 799	-	-
<b>Total: Mopani Municipalities</b>		<b>265</b>	<b>20 417</b>	-	-
B	LIM341 Musina	26	1 975	-	-
B	LIM343 Thulamela	48	3 683	-	-
B	LIM344 Makhado	33	2 560	-	-
B	LIM345 Collins Chabane	22	1 725	-	-
C	DC34 Vhembe District Municipality	66	5 114	-	-
<b>Total: Vhembe Municipalities</b>		<b>195</b>	<b>15 057</b>	-	-
B	LIM351 Blouberg	26	2 005	-	-
B	LIM353 Molemole	18	1 386	-	-
B	LIM354 Polokwane	80	6 117	-	-
B	LIM355 Lepele-Nkumpi	23	1 756	-	-
C	DC35 Capricorn District Municipality	36	2 773	-	-
<b>Total: Capricorn Municipalities</b>		<b>183</b>	<b>14 037</b>	-	-
B	LIM361 Thabazimbi	18	1 360	-	-
B	LIM362 Lephalale	17	1 311	-	-
B	LIM366 Bela-Bela	20	1 502	-	-
B	LIM367 Mogalakwena	21	1 610	-	-
B	LIM368 Modimolle-Mookgophong	21	1 641	-	-
C	DC36 Waterberg District Municipality	16	1 200	-	-
<b>Total: Waterberg Municipalities</b>		<b>113</b>	<b>8 624</b>	-	-
B	LIM471 Ephraim Mogale	20	1 549	-	-
B	LIM472 Elias Motsoaledi	34	2 609	-	-
B	LIM473 Makhuduthamaga	31	2 348	-	-
B	LIM476 Fetakgomo Tubatse	23	1 742	-	-
C	DC47 Sekhukhune District Municipality	139	10 676	-	-
<b>Total: Sekhukhune Municipalities</b>		<b>247</b>	<b>18 924</b>	-	-
<b>Total: Limpopo Municipalities</b>		<b>1 003</b>	<b>77 059</b>	-	-
<b>MPUMALANGA</b>					
B	MP301 Chief Albert Luthuli	34	2 580	-	-
B	MP302 Msukaligwa	17	1 285	-	-
B	MP303 Mkhondo	26	2 004	-	-
B	MP304 Dr Pixley ka Isaka Seme	25	1 931	-	-
B	MP305 Lekwa	23	1 760	-	-
B	MP306 Dipaleseng	17	1 285	-	-
B	MP307 Govan Mbeki	21	1 597	-	-
C	DC30 Gert Sibande District Municipality	22	1 718	-	-
<b>Total: Gert Sibande Municipalities</b>		<b>185</b>	<b>14 160</b>	-	-
B	MP311 Victor Khanye	18	1 361	-	-
B	MP312 Emalahleni	42	3 193	-	-
B	MP313 Steve Tshwete	24	1 808	-	-
B	MP314 Emakhazeni	19	1 434	-	-
B	MP315 Thembisile Hani	29	2 217	-	-
B	MP316 Dr JS Moroka	28	2 155	-	-
C	DC31 Nkangala District Municipality	22	1 706	-	-
<b>Total: Nkangala Municipalities</b>		<b>182</b>	<b>13 874</b>	-	-
B	MP321 Thaba Chweu	21	1 608	-	-
B	MP324 Nkomazi	32	2 436	-	-
B	MP325 Bushbuckridge	41	3 149	-	-
B	MP326 City of Mbombela	67	5 117	-	-
C	DC32 Ehlanzeni District Municipality	18	1 389	-	-
<b>Total: Ehlanzeni Municipalities</b>		<b>179</b>	<b>13 699</b>	-	-
<b>Total: Mpumalanga Municipalities</b>		<b>546</b>	<b>41 733</b>	-	-

## 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 2024/25	National and Municipal Financial Year		
			2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>NORTHERN CAPE</b>					
B	NC061 Richtersveld	16	1 200	-	-
B	NC062 Nama Khoi	16	1 230	-	-
B	NC064 Kamiesberg	16	1 200	-	-
B	NC065 Hantam	16	1 213	-	-
B	NC066 Karoo Hoogland	16	1 200	-	-
B	NC067 Khai-Ma	16	1 200	-	-
C	DC6 Namakwa District Municipality	16	1 206	-	-
<b>Total: Namakwa Municipalities</b>		<b>112</b>	<b>8 449</b>	-	-
B	NC071 Ubuntu	16	1 200	-	-
B	NC072 Umsobomvu	16	1 200	-	-
B	NC073 Emthanjeni	16	1 200	-	-
B	NC074 Kareeberg	16	1 200	-	-
B	NC075 Renosterberg	16	1 200	-	-
B	NC076 Thembelihle	16	1 200	-	-
B	NC077 Siyathemba	16	1 200	-	-
B	NC078 Siyancuma	16	1 200	-	-
C	DC7 Pixley Ka Seme District Municipality	16	1 200	-	-
<b>Total: Pixley Ka Seme Municipalities</b>		<b>144</b>	<b>10 800</b>	-	-
B	NC082 !Kai !Garib	16	1 248	-	-
B	NC084 !Kheis	16	1 200	-	-
B	NC085 Tsantsabane	16	1 200	-	-
B	NC086 Kgatelopele	16	1 200	-	-
B	NC087 Dawid Kruiper	16	1 200	-	-
C	DC8 Z.F. Mgcawu District Municipality	16	1 251	-	-
<b>Total: Z.F. Mgcawu Municipalities</b>		<b>96</b>	<b>7 299</b>	-	-
B	NC091 Sol Plaatjie	29	2 267	-	-
B	NC092 Dikgatlong	17	1 278	-	-
B	NC093 Magareng	16	1 242	-	-
B	NC094 Phokwane	16	1 200	-	-
C	DC9 Frances Baard District Municipality	17	1 274	-	-
<b>Total: Frances Baard Municipalities</b>		<b>95</b>	<b>7 261</b>	-	-
B	NC451 Joe Morolong	16	1 231	-	-
B	NC452 Ga-Segonyana	17	1 271	-	-
B	NC453 Gamagara	16	1 217	-	-
C	DC45 John Taolo Gaetsewe District Municipality	16	1 235	-	-
<b>Total: John Taolo Gaetsewe Municipalities</b>		<b>65</b>	<b>4 954</b>	-	-
<b>Total: Northern Cape Municipalities</b>		<b>512</b>	<b>38 763</b>	-	-
<b>NORTH WEST</b>					
B	NW371 Moretele	20	1 550	-	-
B	NW372 Madibeng	17	1 293	-	-
B	NW373 Rustenburg	20	1 572	-	-
B	NW374 Kgetlengrivier	16	1 209	-	-
B	NW375 Moses Kotane	18	1 359	-	-
C	DC37 Bojanala Platinum District Municipality	18	1 361	-	-
<b>Total: Bojanala Platinum Municipalities</b>		<b>109</b>	<b>8 344</b>	-	-
B	NW381 Ratlou	21	1 589	-	-
B	NW382 Tswaing	17	1 329	-	-
B	NW383 Mafikeng	20	1 550	-	-
B	NW384 Ditsobotla	16	1 213	-	-
B	NW385 Ramotshere Moiloa	24	1 812	-	-
C	DC38 Ngaka Modiri Molema District Municipality	30	2 291	-	-
<b>Total: Ngaka Modiri Molema Municipalities</b>		<b>128</b>	<b>9 784</b>	-	-
B	NW392 Naledi	16	1 203	-	-
B	NW393 Mamusa	20	1 516	-	-
B	NW394 Greater Taung	22	1 715	-	-
B	NW396 Lekwa-Teemane	16	1 200	-	-
B	NW397 Kagisano-Molopo	26	2 036	-	-
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	17	1 287	-	-
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>		<b>117</b>	<b>8 957</b>	-	-
B	NW403 City of Matlosana	20	1 555	-	-
B	NW404 Maquassi Hills	17	1 314	-	-
B	NW405 JB Marks	28	2 177	-	-
C	DC40 Dr Kenneth Kaunda District Municipality	19	1 452	-	-
<b>Total: Dr Kenneth Kaunda Municipalities</b>		<b>84</b>	<b>6 498</b>	-	-
<b>Total: North West Municipalities</b>		<b>438</b>	<b>33 583</b>	-	-

## 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 2024/25	National and Municipal Financial Year			
			2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	
<b>WESTERN CAPE</b>						
A	CPT City of Cape Town	347	26 664	-	-	
B	WC011 Matzikama	18	1 389	-	-	
B	WC012 Cederberg	20	1 534	-	-	
B	WC013 Bergrivier	19	1 436	-	-	
B	WC014 Saldanha Bay	18	1 368	-	-	
B	WC015 Swartland	21	1 593	-	-	
C	DC1 West Coast District Municipality	17	1 282	-	-	
<b>Total: West Coast Municipalities</b>		<b>113</b>	<b>8 602</b>	-	-	
B	WC022 Witzenberg	20	1 559	-	-	
B	WC023 Drakenstein	27	2 062	-	-	
B	WC024 Stellenbosch	26	2 021	-	-	
B	WC025 Breede Valley	25	1 895	-	-	
B	WC026 Langeberg	21	1 645	-	-	
C	DC2 Cape Winelands District Municipality	16	1 249	-	-	
<b>Total: Cape Winelands Municipalities</b>		<b>135</b>	<b>10 431</b>	-	-	
B	WC031 Theewaterskloof	20	1 563	-	-	
B	WC032 Overstrand	25	1 898	-	-	
B	WC033 Cape Agulhas	18	1 363	-	-	
B	WC034 Swellendam	17	1 305	-	-	
C	DC3 Overberg District Municipality	16	1 265	-	-	
<b>Total: Overberg Municipalities</b>		<b>96</b>	<b>7 394</b>	-	-	
B	WC041 Kannaland	16	1 255	-	-	
B	WC042 Hessequa	16	1 236	-	-	
B	WC043 Mossel Bay	26	1 967	-	-	
B	WC044 George	26	1 966	-	-	
B	WC045 Oudtshoorn	19	1 492	-	-	
B	WC047 Bitou	19	1 474	-	-	
B	WC048 Knysna	17	1 279	-	-	
C	DC4 Garden Route District Municipality	20	1 545	-	-	
<b>Total: Garden Route Municipalities</b>		<b>159</b>	<b>12 214</b>	-	-	
B	WC051 Laingsburg	16	1 209	-	-	
B	WC052 Prince Albert	16	1 200	-	-	
B	WC053 Beaufort West	16	1 226	-	-	
C	DC5 Central Karoo District Municipality	16	1 203	-	-	
<b>Total: Central Karoo Municipalities</b>		<b>64</b>	<b>4 838</b>	-	-	
<b>Total: Western Cape Municipalities</b>		<b>914</b>	<b>70 143</b>	-	-	
Unallocated		-	-	567 281	593 271	
<b>National Total</b>		<b>7 303</b>	<b>560 103</b>	<b>567 281</b>	<b>593 271</b>	



**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			
					2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	
<b>EASTERN CAPE</b>											
RBIG 5B	Nelson Mandela Bay - Water Security Programme	A	Nelson Mandela Bay Metropolitan Municipality	Nelson Mandela Bay Metropolitan Municipality	-	390 000	-	-	-	-	-
		<b>Total: Nelson Mandela Bay Metropolitan Municipality</b>			-	<b>390 000</b>	-	-	-	-	-
RS06	Kirkwood Water Treatment Works	B	Dr Beyers Naude Local Municipality	Dr Beyers Naude Local Municipality	-	-	15 000	-	-	-	-
RS42	James Kleyhans Bulk Water Supply	B	Makana Local Municipality	Makana Local Municipality	-	-	35 000	-	35 000	-	35 000
RL01	Ndlambe Bulk Water Supply	B	Ndlambe Local Municipality	Ndlambe Local Municipality	-	-	15 000	-	30 000	-	33 000
RS02	Sundays River - Paerson Bulk Water Supply	B	Sundays River Valley Local Municipality	Sundays River Valley Local Municipality	-	-	3 000	-	1 000	-	-
RS07	Misgund Bulk Water Supply	B	Kou-kamma Local Municipality	Koukamma Local Municipality	-	-	300	-	-	-	-
		<b>Total: Sarah Baartman Municipalities</b>			-	-	<b>68 300</b>	-	<b>66 000</b>	-	<b>66 000</b>
RL16	Xhosa East Water Supply	C	Amathole District Municipality	Mbashe Local Municipality	-	-	5 000	-	4 000	-	-
RL	Sundwana Water Supply	C	Amathole District Municipality	Mbashe Local Municipality	-	-	-	-	10 000	-	10 000
RS	Ngqamakwe Bulk Water Supply (Butterworth Water Transfer Scheme)	C	Amathole District Municipality	Maqoma Local Municipality	-	-	-	-	84 682	-	90 401
		<b>Total: Amathole Municipalities</b>			-	-	-	-	<b>89 682</b>	-	<b>100 401</b>
RBIG 5B	Upgrading of T'somo Water Treatment Works	C	Chris Hani District Municipality	Intsika Yethu Local Municipality	-	20 000	-	40 000	-	-	-
RBIG 5B	Cluster 4 CHDM Bulk Water Supply	C	Chris Hani District Municipality	Dr. A.B. Xuma Local Municipality	61 685	35 575	-	-	-	-	-
RBIG 5B	Cluster 6 CHDM Bulk Water Supply	C	Chris Hani District Municipality	Dr. A.B. Xuma Local Municipality	20 137	-	-	-	-	-	-
RBIG 5B	Xonxa Bulk Water Supply	C	Chris Hani District Municipality	Dr. A.B. Xuma Local Municipality	35 000	18 960	-	20 598	-	-	-
		<b>Total: Chris Hani Municipalities</b>			<b>116 822</b>	<b>74 535</b>	-	<b>60 598</b>	-	-	-
RBIG 5B	Lady Grey Bulk Water Supply	C	Joe Gqabi District Municipality	Seqou Local Municipality	-	25 226	-	21 386	-	-	-
RBIG 5B	Steekspruit Waste Water Treatment Works	C	Joe Gqabi District Municipality	Seqou Local Municipality	50 000	75 000	-	78 450	-	-	-
		<b>Total: Joe Gqabi Municipalities</b>			<b>50 000</b>	<b>100 226</b>	-	<b>99 836</b>	-	-	-
RBIG 5B	O.R. Tambo, Mthatha, King Sabata Dalindyebo Water Supply	C	O.R. Tambo District Municipality	King Sabata Dalindyebo Local Municipality	291 113	288 354	-	384 741	-	-	-
		<b>Total: O.R. Tambo Municipalities</b>			<b>291 113</b>	<b>288 354</b>	-	<b>384 741</b>	-	-	-
RS48	Kimira Regional Bulk Water Supply Scheme	C	Alfred Nzo District Municipality	Mantatele Local Municipality	-	-	-	-	-	-	5 000
RS50	Mkemane Regional Bulk Water Supply Scheme	C	Alfred Nzo District Municipality	Umzimvubu Local Municipality	-	-	-	-	-	-	5 000
RBIG 6B	Greater Mbizana Regional Bulk Water Supply Scheme	C	Alfred Nzo District Municipality	Winnie Madikizela-Mandela	-	-	-	159 441	139 750	-	150 028
RS43	Ntabankulu Bulk Water Supply	C	Alfred Nzo District Municipality	Ntabankulu Local Municipality	-	-	-	-	-	-	5 000
		<b>Total: Alfred Nzo Municipalities</b>			-	-	-	<b>159 441</b>	<b>139 750</b>	-	<b>165 028</b>
		<b>Total: Eastern Cape Municipalities</b>			<b>707 935</b>	<b>853 115</b>	-	<b>545 175</b>	<b>317 423</b>	<b>330 916</b>	<b>331 429</b>

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			
					2024/25 (R'000)	2023/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2026/27 (R'000)	
<b>FREE STATE</b>											
RBIG 5B	Rouxville/Smithfield/Zastron Bulk Water Supply	B	FSI 63	Mohale Local Municipality		16 161	-	-	-	-	-
	<b>Total: Xhariep Municipalities</b>					<b>16 161</b>	-	-	-	-	-
RS52	Masisonyana Bulk Water Supply	B	FSI 81	Masisonyana Local Municipality		-	25 000	50 000	50 000	52 300	-
Covid-19	Brandford Bulk Sewer Services	B	FSI 81	Masisonyana Local Municipality		-	-	15 000	4 000	-	-
RL24	Tokologo Regional Water Supply 2	B	FSI 82	Tokologo Local Municipality		-	-	40 000	50 000	62 760	-
BEP	Dealesville Bulk Sewer Services	B	FSI 82	Tokologo Local Municipality		-	-	3 000	-	-	-
RS18	Tswelopele Bulk Water Supply	B	FSI 83	Tswelopele Local Municipality		-	-	10 447	-	-	-
RL34	Matjhabeng Bulk Sewer (Welkom) - Ministerial Intervention	B	FSI 84	Matjhabeng Local Municipality		-	-	201 000	250 000	184 699	-
	<b>Total: Lejwelepuswa Municipalities</b>					-	-	<b>294 447</b>	<b>354 000</b>	<b>299 759</b>	-
RBIG 5B	Seisoto Bulk Water Supply	B	FSI 91	Seisoto Local Municipality		113 951	50 000	30 000	-	-	-
BEP	Clocolan Bulk Sewer Services	B	FSI 91	Seisoto Local Municipality		-	-	10 000	-	-	-
BEP	Ficksburg Bulk Sewer Services	B	FSI 91	Seisoto Local Municipality		-	-	5 000	-	-	-
BEP	Senekal Bulk Sewer Services	B	FSI 91	Seisoto Local Municipality		-	-	5 000	-	-	-
RBIG 5B	Refurbishment of Ficksburg Waste Water Treatment Works	B	FSI 92	Seisoto Local Municipality		30 000	20 000	4 222	-	-	-
RL25	Dhlabeng Bulk Water Supply - Phase 3	B	FSI 92	Dhlabeng Local Municipality		-	-	-	60 000	60 000	-
Covid-19	Lindley Bulk Sewer Services	B	FSI 93	Nketoana Local Municipality		-	-	5 000	30 000	40 570	-
BEP	Arglington Bulk Sewer Services	B	FSI 93	Nketoana Local Municipality		-	-	5 000	-	-	-
BEP	Petrus Sten Bulk Sewer Services	B	FSI 93	Nketoana Local Municipality		-	-	5 000	-	-	-
RL12	Nketoana Regional Water Supply	B	FSI 93	Nketoana Local Municipality		-	-	60 000	-	-	-
RS150	Maluti-a-Phofung Local Municipality Intervention	B	FSI 94	Maluti-a-Phofung Local Municipality		-	-	81 761	75 371	120 000	-
RBIG 6B	Uniqwa Reversal Gravity Pipeline	B	FSI 94	Maluti-a-Phofung Local Municipality		-	-	3 000	-	96 989	-
RBIG 6B	Refurbishment of Fika-Paiso Waste Water Treatment Works	B	FSI 94	Maluti-a-Phofung Local Municipality		-	-	5 000	-	22 120	-
RS19	Maluti-a-Phofung Bulk Water Supply - Phase 2	B	FSI 94	Maluti-a-Phofung Local Municipality		-	-	40 000	60 000	20 000	-
Covid-19	Mantsopa Water and Sanitation Intervention	B	FSI 96	Mantsopa Local Municipality		-	-	3 000	-	-	-
	<b>Total: Thabo Mofutsanyana Municipalities</b>					<b>143 951</b>	<b>70 000</b>	<b>34 222</b>	<b>277 761</b>	<b>305 371</b>	<b>359 679</b>
RBIG 6B	Kroonstad Waste Water Treatment Works - Phase 2	B	FS201	Mogalakga Local Municipality		-	-	42 000	9 000	-	-
RL23	Ngwathe Bulk Water Supply (Parys)	B	FS203	Ngwathe Local Municipality		30 000	71 112	156 417	-	-	-
RBIG 5B	Ngwathe Bulk Sewer (Parys)	B	FS203	Ngwathe Local Municipality		-	30 000	60 300	-	-	-
RBIG 5B	Ngwathe Bulk Water Supply - Phase 3	B	FS203	Ngwathe Local Municipality		30 000	40 000	50 173	-	-	-
RBIG 5B	Construction of Sasol Waste Water Treatment Works	B	FS204	Metsimaholo Local Municipality		-	30 000	40 000	-	-	-
Covid-19	Matlube Water and Sanitation Intervention	B	FS205	Matlube Local Municipality		-	-	15 000	-	-	-
RS26	Frankfort Bulk Sewer (Matlube)	B	FS205	Matlube Local Municipality		-	-	20 000	20 000	-	-
RBIG 6B	Frankfort Waste Water Treatment Works Upgrade	B	FS205	Matlube Local Municipality		-	-	-	-	30 000	-
	<b>Total: Fezile Dabi Municipalities</b>					<b>60 000</b>	<b>171 112</b>	<b>306 890</b>	<b>77 000</b>	<b>29 000</b>	<b>30 000</b>
	<b>Total: Free State Municipalities</b>					<b>220 112</b>	<b>241 112</b>	<b>341 112</b>	<b>649 208</b>	<b>688 371</b>	<b>689 438</b>
<b>GAUTENG</b>											
RM02	Sebding Regional Waste Water Treatment Works	B	GT421	Ermitsien Local Municipality		-	-	-	100 673	98 690	99 868
RM05	Schokeng Waste Water Treatment Works	B	GT421	Ermitsien Local Municipality		-	-	-	70 000	70 000	70 000
RBIG 5B	Vaal River System Intervention	B	GT421	Ermitsien Local Municipality		-	-	-	386 190	446 347	491 347
RL04	Meyerton Waste Water Treatment Works	B	GT422	Midvaal Local Municipality		-	-	-	94 000	85 000	-
	<b>Total: Sebding Municipalities</b>					-	-	-	<b>650 863</b>	<b>700 037</b>	<b>661 215</b>
RM06	Westonaria Regional Bulk Sanitation (Zurbeckom)	B	GT485	Rand West City Local Municipality		-	-	-	45 000	40 000	55 000
RS56	Mohlakeng Pump Station and Sewer Outfall	B	GT485	Rand West City Local Municipality		-	-	-	15 000	20 000	45 000
	<b>Total: West Rand Municipalities</b>					-	-	-	<b>60 000</b>	<b>60 000</b>	<b>100 000</b>
	<b>Total: Gauteng Municipalities</b>					-	-	-	<b>710 863</b>	<b>760 037</b>	<b>761 215</b>

## 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			
					2024/25 (R'000)	2023/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2023/26 (R'000)	2026/27 (R'000)	
<b>KWAZULU-NATAL</b>											
RBIG 5B	Mandlakazi Bulk Water Supply	C	DC26	Zululand District Municipality	uPhongolo and Nongoma Local Municipalities	214 000	276 363	508 200	-	-	-
			<b>Total: Zululand Municipalities</b>			<b>214 000</b>	<b>276 363</b>	<b>508 200</b>	-	-	-
RBIG 5B	Greater Mthonjaneni Bulk Water Supply	C	DC28	King Cetshwayo District Municipality	Mthonjaneni and Nkandla Local Municipalities	184 744	178 356	178 356	-	-	-
RBIG 5B	Middledrift (Nkandla) Regional Bulk Water Supply	C	DC28	King Cetshwayo District Municipality	Nkandla Local Municipality	30 000	30 000	30 000	-	-	-
			<b>Total: King Cetshwayo Municipalities</b>			<b>214 744</b>	<b>208 356</b>	<b>208 356</b>	-	-	-
			<b>Total: KwaZulu-Natal Municipalities</b>			<b>428 744</b>	<b>484 719</b>	<b>716 556</b>	-	-	-
<b>LIMPOPO</b>											
RL28	Giyani Bulk Water Supply – Drought Relief	C	DC33	Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	50 407	-	-
RBIG 6B	Giyani Waste Water Treatment Works Upgrade - Phase 2	C	DC33	Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	-	-	175 607
RM08	Giyani Water Services	C	DC33	Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	165 000	80 000	-
RL29	Mameja Sekororo Bulk Water Supply	C	DC33	Mopani District Municipality	Manung Local Municipality	-	-	-	65 000	72 370	100 000
RS135	Bambanana Pipeline - Phase 1	C	DC33	Mopani District Municipality	Manung Local Municipality	-	-	-	85 000	80 000	50 000
RBIG 6B	Bambanana Pipeline - Phase 2	C	DC33	Mopani District Municipality	Manung Local Municipality	-	-	-	70 000	70 000	150 000
			<b>Total: Mopani Municipalities</b>			-	-	-	<b>365 407</b>	<b>302 370</b>	<b>475 607</b>
RL13	Sinthumule Kutama Bulk Water Supply	C	DC34	Vhembe District Municipality	Makhado Local Municipality	-	-	-	35 000	-	-
RBIG 6B	Nandoni Waste Water Treatment Works Upgrade	C	DC34	Vhembe District Municipality	Makhado Local Municipality	-	-	-	112 254	215 800	245 800
			<b>Total: Vhembe Municipalities</b>			-	-	-	<b>147 254</b>	<b>215 800</b>	<b>245 800</b>
RBIG 5B	Polokwane Waste Water Treatment Works	B	LIM354	Polokwane Local Municipality	Polokwane Local Municipality	48 505	155 509	255 509	-	-	-
RBIG 5B	Polokwane Bulk Water Supply	B	LIM354	Polokwane Local Municipality	Polokwane Local Municipality	77 508	-	-	-	-	-
			<b>Total: Capricorn Municipalities</b>			<b>126 013</b>	<b>155 509</b>	<b>255 509</b>	-	-	-
RM04	Mogalakwena Bulk Water Supply	B	LIM367	Mogalakwena Local Municipality	Mogalakwena Local Municipality	-	-	-	115 000	160 000	-
			<b>Total: Waterberg Municipalities</b>			-	-	-	<b>115 000</b>	<b>160 000</b>	-
RL14	Mouse Bulk Water Supply	C	DC47	Sekhukhune District Municipality	Ephraim Mogale and Elias Mokoedi Local Municipalities	-	-	-	15 000	-	-
RM12	Nebo Bulk Water Supply	C	DC47	Sekhukhune District Municipality	Tubatse Local Municipality and Makhudumabaga Local Municipalities	-	-	-	75 000	80 000	80 000
RM07	Mooihook/Tubatse Bulk Water Supply	C	DC47	Sekhukhune District Municipality	Tubatse Local Municipality	-	-	-	35 000	40 000	-
			<b>Total: Sekhukhune Municipalities</b>			-	-	-	<b>125 000</b>	<b>120 000</b>	<b>80 000</b>
			<b>Total: Limpopo Municipalities</b>			<b>126 013</b>	<b>155 509</b>	<b>255 509</b>	<b>752 661</b>	<b>798 170</b>	<b>799 407</b>

## 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			
					2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	
					Breakdown of regional bulk infrastructure grant allocations per local municipality per project						
<b>MPUMALANGA</b>											
RBIG 5B	Empul/Methu/Amster Bulk Water Supply	B	MP301	Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	100 000	135 000	205 423	-	-	-
RBIG 5B	Eerstehoek/Ekuideni Bulk Water Supply	B	MP301	Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	78 508	-	-	-	-	-
RBIG 5B	Upgrading of Carolina Waste Water Treatment Works	B	MP301	Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	60 000	80 000	75 464	-	-	-
RBIG 5B	Chief Albert Luthuli Bulk Water Project	B	MP301	Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	30 000	40 000	50 000	-	-	-
RBIG 5B	Msakaligwa Regional Bulk Water Supply - Phase 1	B	MP302	Msakaligwa Local Municipality	Msakaligwa Local Municipality	50 000	66 598	70 000	-	-	-
RBIG 5B	Ermedo Waste Water Treatment Works	B	MP302	Msakaligwa Local Municipality	Msakaligwa Local Municipality	40 000	50 000	60 000	-	-	-
RBIG 6B	Amsterdam and Sheepmore Bulk Water Scheme	B	MP303	Mkhondo Local Municipality	Mkhondo and Msikaligwa Local Municipality	-	-	-	59 482	57 226	57 798
RBIG 6B	Lekwa Waster Services (Re-purposing/Operations)	B	MP305	Lekwa Local Municipality	Lekwa Local Municipality	-	-	-	43 113	56 800	56 800
RBIG 6B	Lekwa Waster Services	B	MP305	Lekwa Local Municipality	Lekwa Local Municipality	-	-	-	5 000	5 000	5 000
RBIG 6B	Balf/Siyat/Grey/Willem/Nhor Bulk Water Supply	B	MP306	Dipaleseng Local Municipality	Dipaleseng Local Municipality	-	-	-	20 000	30 000	30 000
RBIG 6B	Refurbishment and Upgrading	B	MP307	Goven Mbeki Local Municipality	Goven Mbeki Local Municipality	-	-	-	10 000	10 000	10 000
<b>Total: Gert Sibande Municipalities</b>						<b>358 508</b>	<b>371 598</b>	<b>460 887</b>	<b>137 595</b>	<b>159 026</b>	<b>159 598</b>
RBIG 5B	Steve Tshwete Refurbishment and Upgrading of Vaal Bank Water Purification Plant	B	MP313	Steve Tshwete Local Municipality	Steve Tshwete Local Municipality	40 000	-	-	-	-	-
RBIG 5B	Refurbishment and Upgrading of Boskrans Waste Water Treatment Works	B	MP313	Steve Tshwete Local Municipality	Steve Tshwete Local Municipality	30 000	40 000	50 000	-	-	-
RBIG 5B	Refurbishment and Upgrading of Kwazamokhule Waste Water Treatment Works	B	MP313	Steve Tshwete Local Municipality	Steve Tshwete Local Municipality	5 000	9 289	10 000	-	-	-
RL35	Thembsile Water Scheme (Loskop)	B	MP315	Thembsile Hami Local Municipality	Thembsile Local Municipality	-	-	-	200 000	200 000	200 000
RL36	Western Highveld (Rust de Winter) Bulk Water Supply Scheme	B	MP316	Dr JS Moroka Local Municipality	Dr JS Moroka and Thembsile Hami Local Municipalities	-	-	-	10 000	10 000	10 000
<b>Total: Nangala Municipalities</b>						<b>75 000</b>	<b>49 289</b>	<b>60 000</b>	<b>210 000</b>	<b>210 000</b>	<b>210 000</b>
RBIG 5B	Thaba Chweu Regional Bulk Water Supply (Leroro, Matbidi, Moremele)	B	MP321	Thaba Chweu	Thaba Chweu	28 738	30 000	30 000	-	-	-
RS37	Drekoppies Upgrading	B	MP324	Nkomazi Local Municipality	Nkomazi Local Municipality	-	-	-	4 000	-	-
RS30	Upgrade of Kamhushwa Waste Water Treatment Works (Nyathi)	B	MP324	Nkomazi Local Municipality	Nkomazi Local Municipality	5 000	10 000	10 000	-	-	-
RBIG 5B	Upgrading of Mkhuhlu Waste Water Treatment Works	B	MP325	Bushbuckridge Local Municipality	Bushbuckridge Local Municipality	30 000	40 000	40 000	-	-	-
<b>Total: Elnanzeni Municipalities</b>						<b>63 738</b>	<b>80 000</b>	<b>80 000</b>	<b>4 000</b>	<b>4 000</b>	<b>-</b>
<b>Total: Mpumalanga Municipalities</b>						<b>497 246</b>	<b>500 887</b>	<b>600 887</b>	<b>351 595</b>	<b>369 026</b>	<b>369 598</b>
<b>NORTHERN CAPE</b>											
RBIG 5B	Calvinia Bulk Water Supply	B	NC065	Hantam Local Municipality	Hantam Local Municipality	85 000	-	-	-	-	-
RS28	Uppington Wastewater treatment works	B	NC087	David Kruper Local Municipality	David Kruper Local Municipality	-	-	-	5 000	-	25 006
RBIG 5B	Sol Plaatje Local Municipality - Integrated Bulk Supply System Intervention	B	NC091	Sol Plaatje Local Municipality	Sol Plaatje Local Municipality	492 000	574 000	-	-	-	-
Covid-19	Warrenton Waste Water Treatment Works	B	NC093	Magareng Local Municipality	Magareng Local Municipality	-	-	-	30 281	29 960	5 000
<b>Total: Frances Baard Municipalities</b>						<b>492 000</b>	<b>574 000</b>	<b>-</b>	<b>30 281</b>	<b>29 960</b>	<b>5 000</b>
<b>Total: Northern Cape Municipalities</b>						<b>577 000</b>	<b>574 000</b>	<b>-</b>	<b>35 281</b>	<b>29 960</b>	<b>30 006</b>

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			
					2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)	
<b>NORTH WEST</b>											
RL15	Moretele South Bulk Water Supply (Klipdrit)	B	NW371	Moretele Local Municipality	Moretele Local Municipality	-	-	-	82 358	71 899	72 262
RL09	Madibeng Bulk Water Supply (Brits)	B	NW372	Madibeng Local Municipality	Madibeng Local Municipality	-	-	-	35 000	28 112	28 112
<b>Total: Bojanala Platinum Municipalities</b>						-	-	-	117 358	100 011	100 374
RS32	Ratlou Bulk Water Supply	C	DC38	Ngaka Modiri Molema Local Municipality	Ratlou Local Municipality	-	-	-	11 000	10 000	10 000
RL33	Maifkeng South Bulk Water Supply	C	DC38	Ngaka Modiri Molema Local Municipality	Maifkeng Local Municipality	-	-	-	44 000	52 000	52 000
<b>Total: Ngaka Modiri Molema Municipalities</b>						-	-	-	55 000	62 000	62 000
RBIG 5B	Taung/Naledi Bulk Water Supply (Phase 1 to 3)	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Naledi and Greater Taung Local Municipalities	110 000	100 000	100 000	-	-	-
RBIG 5B	Greater Mamasu Bulk Water Supply (Phase 1 to 4) - Bloemhof	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Mamasu Local Municipality	40 606	57 588	57 588	-	-	-
RBIG 5B	Kagisano Molapo Bulk Water Supply	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molapo Local Municipality	105 000	150 000	150 000	-	-	-
RBIG 5B	Tlapeng - Cluster 2	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molapo Local Municipality	145 727	150 000	238 498	-	-	-
<b>Total: Dr Ruth Segomotsi Mompati Municipalities</b>						401 333	457 588	546 086	-	-	-
RS35	Potchefstroom Waste Water Treatment Works upgrade (Tlokwe) - Phase 1 to 5	B	NW405	JB Marks Local Municipality	JB Marks Local Municipality	-	-	-	53 737	72 000	72 000
<b>Total: Dr Kenneth Kaunda Municipalities</b>						-	-	-	53 737	72 000	72 000
<b>Total: North West Municipalities</b>						401 333	457 588	546 086	226 095	234 011	234 374
<b>WESTERN CAPE</b>											
RS134	Clanwilliam/Lambertshaus Regional Water Supply and Desalination	B	WC014	Cederberg Local Municipality	Cederberg Local Municipality	-	-	-	14 831	16 016	16 040
<b>Total: West Coast Municipalities</b>						-	-	-	14 831	16 016	16 040
RBIG 5B	Drakenstein Local Municipality - Sanitation Infrastructure Project	B	W023	Drakenstein Local Municipality	Drakenstein Local Municipality	600 000	490 000	-	-	-	-
<b>Total: Cape Winelands Municipalities</b>						600 000	490 000	-	-	-	-
BFI	Portable Water Security and Remedial Works	B	WC044	George Local Municipality	George Local Municipality	294 000	-	-	-	-	-
<b>Total: Garden Route Municipalities</b>						294 000	-	-	-	-	-
<b>Total: Western Cape Municipalities</b>						894 000	490 000	-	14 831	16 016	16 040
<b>National Total</b>						3 952 383	3 756 930	3 005 325	3 057 957	3 226 507	3 231 507

**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

Basic Education (Vote 16)  Province/Components	Early Childhood Development Grant		
	National Financial Year		
	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>Early Childhood Development Grant</b>			
Eastern Cape	268 988	316 812	331 324
Free State	77 036	92 646	96 891
Gauteng	336 388	376 917	394 181
KwaZulu-Natal	248 650	291 225	304 566
Limpopo	238 002	287 022	300 167
Mpumalanga	123 659	147 035	153 772
Northern Cape	28 797	34 304	35 875
North West	143 198	169 809	177 586
Western Cape	124 357	141 394	147 872
Unallocated	-	89 092	93 171
<b>Total</b>	<b>1 589 075</b>	<b>1 946 256</b>	<b>2 035 405</b>
<i>of which:</i>			
<b>Infrastructure Component</b>			
Eastern Cape	20 719	7 479	7 822
Free State	8 952	7 804	8 162
Gauteng	39 033	6 376	6 664
KwaZulu-Natal	24 120	11 441	11 965
Limpopo	19 076	14 251	14 904
Mpumalanga	11 667	7 479	7 822
Northern Cape	5 519	5 304	5 547
North West	11 349	5 536	5 790
Western Cape	16 349	6 801	7 113
Unallocated	-	89 092	93 171
<b>Total: Infrastructure Component</b>	<b>156 784</b>	<b>161 563</b>	<b>168 960</b>
<b>Subsidy Component</b>			
Eastern Cape	248 269	309 333	323 502
Free State	68 084	84 842	88 729
Gauteng	297 355	370 541	387 517
KwaZulu-Natal	224 530	279 784	292 601
Limpopo	218 926	272 771	285 263
Mpumalanga	111 992	139 556	145 950
Northern Cape	23 278	29 000	30 328
North West	131 849	164 273	171 796
Western Cape	108 008	134 593	140 759
<b>Total: Subsidy Component</b>	<b>1 432 291</b>	<b>1 784 693</b>	<b>1 866 445</b>



**APPENDIX W7**

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE DISTRICT HEALTH PROGRAMMES GRANT: ALLOCATIONS  
PER GRANT COMPONENT PER PROVINCE**

**(National Financial Years)**

## APPENDIX W7

APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE DISTRICT HEALTH PROGRAMMES GRANT:  
ALLOCATIONS PER GRANT COMPONENT PER PROVINCE

Health (Vote 18)	District Health Programmes Grant		
	National Financial Year		
	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>Province/Components</b>			
<b>District Health Programmes Grant</b>			
Eastern Cape	3 077 003	3 101 623	3 243 950
Free State	1 675 360	1 689 996	1 767 552
Gauteng	6 023 568	6 076 397	6 355 250
KwaZulu-Natal	7 367 534	7 431 491	7 772 528
Limpopo	2 500 738	2 533 462	2 649 780
Mpumalanga	2 575 224	2 602 359	2 721 806
Northern Cape	747 852	756 090	790 798
North West	1 863 030	1 884 165	1 970 656
Western Cape	2 132 386	2 152 356	2 251 137
<b>Total</b>	<b>27 962 695</b>	<b>28 227 939</b>	<b>29 523 457</b>
<i>of which:</i>			
<b>Comprehensive HIV/AIDS Component</b>			
Eastern Cape	2 833 681	2 847 300	2 977 911
Free State	1 512 407	1 519 675	1 589 386
Gauteng	5 432 601	5 458 710	5 709 110
KwaZulu-Natal	6 661 021	6 693 034	7 000 055
Limpopo	1 988 305	1 997 860	2 089 505
Mpumalanga	2 210 019	2 220 641	2 322 505
Northern Cape	632 950	635 993	665 168
North West	1 561 565	1 569 070	1 641 046
Western Cape	1 891 809	1 900 901	1 988 099
<b>Total</b>	<b>24 724 358</b>	<b>24 843 184</b>	<b>25 982 785</b>
<b>District Health Component</b>			
Eastern Cape	243 322	254 323	266 039
Free State	162 953	170 321	178 166
Gauteng	590 967	617 687	646 140
KwaZulu-Natal	706 513	738 457	772 473
Limpopo	512 433	535 602	560 275
Mpumalanga	365 205	381 718	399 301
Northern Cape	114 902	120 097	125 630
North West	301 465	315 095	329 610
Western Cape	240 577	251 455	263 038
<b>Total</b>	<b>3 238 337</b>	<b>3 384 755</b>	<b>3 540 672</b>

**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		
	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>Province/Components</b>			
<b>Human Resources and Training Grant</b>			
Eastern Cape	581 770	581 016	607 747
Free State	284 271	288 374	301 642
Gauteng	1 875 966	1 903 062	1 990 610
KwaZulu-Natal	769 534	780 700	816 619
Limpopo	369 609	369 414	386 410
Mpumalanga	279 435	279 032	291 870
Northern Cape	152 820	151 394	158 356
North West	275 019	273 987	286 592
Western Cape	928 678	942 066	985 403
Unallocated	-	28 690	30 004
<b>Total</b>	<b>5 517 102</b>	<b>5 597 735</b>	<b>5 855 253</b>
<i>of which:</i>			
<b>Statutory Human Resources Component</b>			
Eastern Cape	299 862	304 320	318 328
Free State	123 063	124 892	130 642
Gauteng	826 596	838 885	877 498
KwaZulu-Natal	407 361	413 417	432 447
Limpopo	211 446	214 589	224 466
Mpumalanga	144 779	146 931	153 695
Northern Cape	46 401	47 093	49 259
North West	131 683	133 640	139 792
Western Cape	375 295	380 874	398 406
<b>Total</b>	<b>2 566 486</b>	<b>2 604 641</b>	<b>2 724 533</b>
<b>Training Component</b>			
Eastern Cape	281 908	276 696	289 419
Free State	161 208	163 482	171 000
Gauteng	1 049 370	1 064 177	1 113 112
KwaZulu-Natal	362 173	367 283	384 172
Limpopo	158 163	154 825	161 944
Mpumalanga	134 656	132 101	138 175
Northern Cape	106 419	104 301	109 097
North West	143 336	140 347	146 800
Western Cape	553 383	561 192	586 997
Unallocated	-	28 690	30 004
<b>Total</b>	<b>2 950 616</b>	<b>2 993 094</b>	<b>3 130 720</b>

**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 2024/25	National Financial Year		
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>EASTERN CAPE</b>				
Cooperative Governance and Traditional Affairs	26	2 000	-	-
Economic Development, Environmental Affairs and Tourism	40	3 066	-	-
Education	34	2 582	-	-
Health	26	2 010	-	-
Human Settlements	31	2 384	-	-
Public Works	88	6 806	-	-
Rural Development and Agrarian Reform	27	2 080	-	-
Sport, Recreation, Arts and Culture	27	2 058	-	-
Transport	613	47 168	-	-
<b>Total: Eastern Cape</b>	<b>912</b>	<b>70 154</b>	-	-
<b>FREE STATE</b>				
Agriculture and Rural Development	26	2 000	-	-
Economic Development and Small Business Development, Tourism and Environmental Affairs	29	2 256	-	-
Education	43	3 328	-	-
Human Settlements	27	2 055	-	-
Police, Roads and Transport	46	3 536	-	-
Public Works and Infrastructure	55	4 204	-	-
Sports, Arts and Recreation	26	2 000	-	-
<b>Total: Free State</b>	<b>252</b>	<b>19 379</b>	-	-
<b>GAUTENG</b>				
Agriculture and Rural Development	40	3 055	-	-
Cooperative Governance and Traditional Affairs	26	2 000	-	-
Infrastructure Development	117	9 010	-	-
Economic Development	26	2 000	-	-
Education	36	2 759	-	-
Health	26	2 023	-	-
Human Settlements	70	5 373	-	-
Roads and Transport	43	3 343	-	-
<b>Total: Gauteng</b>	<b>384</b>	<b>29 563</b>	-	-
<b>KWAZULU-NATAL</b>				
Agriculture and Rural Development	48	3 721	-	-
Arts, Culture and Tourism	26	2 000	-	-
Cooperative Governance and Traditional Affairs	26	2 000	-	-
Economic Development, Tourism and Environmental Affairs	66	5 076	-	-
Education	27	2 045	-	-
Health	90	6 951	-	-
Human Settlements	82	6 331	-	-
Public Works	48	3 722	-	-
Transport	538	41 339	-	-
<b>Total: KwaZulu-Natal</b>	<b>951</b>	<b>73 185</b>	-	-
<b>LIMPOPO</b>				
Agriculture and Rural Development	62	4 753	-	-
Cooperative Government, Human Settlements and Traditional Affairs	28	2 128	-	-
Economic Development, Environment and Tourism	28	2 116	-	-
Education	29	2 224	-	-
Health	43	3 290	-	-
Public Works, Roads and Infrastructure	112	8 698	-	-
Social Development	29	2 245	-	-
Sport, Arts and Culture	27	2 049	-	-
Transport and Community Safety	28	2 161	-	-
<b>Total: Limpopo</b>	<b>386</b>	<b>29 664</b>	-	-
<b>MPUMALANGA</b>				
Agriculture, Rural Development, Land and Environmental Affairs	63	4 809	-	-
Cooperative Governance and Traditional Affairs	30	2 309	-	-
Culture, Sport and Recreation	26	2 000	-	-
Economic Development and Tourism	45	3 438	-	-
Education	27	2 074	-	-
Health	29	2 212	-	-
Public Works, Roads and Transport	70	5 490	-	-
<b>Total: Mpumalanga</b>	<b>290</b>	<b>22 332</b>	-	-
<b>NORTHERN CAPE</b>				
Agriculture, Environmental Affairs, Rural Development and Land Reform	29	2 227	-	-
Cooperative Governance, Human Settlements and Traditional Affairs	26	2 000	-	-
Education	29	2 243	-	-
Roads and Public Works	45	3 394	-	-
Sports, Arts and Culture	27	2 098	-	-
<b>Total: Northern Cape</b>	<b>156</b>	<b>11 962</b>	-	-

## 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 2024/25	National Financial Year		
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>NORTH WEST</b>				
Agriculture and Rural Development	37	2 855	-	-
Cooperative Governance, Human Settlements and Traditional Affairs	30	2 284	-	-
Education	26	2 024	-	-
Economic Development, Environment, Conservation and Tourism	40	3 112	-	-
Health	26	2 004	-	-
Public Works and Roads	269	20 610	-	-
Social Development	26	2 017	-	-
<b>Total: North West</b>	<b>454</b>	<b>34 906</b>	-	-
<b>WESTERN CAPE</b>				
Agriculture	33	2 531	-	-
Cultural Affairs and Sport	39	2 992	-	-
Education	29	2 266	-	-
Environmental Affairs and Development Planning	43	3 331	-	-
Health	27	2 092	-	-
Infrastructure	63	4 852	-	-
Mobility	32	2 432	-	-
<b>Total: Western Cape</b>	<b>266</b>	<b>20 496</b>	-	-
Unallocated	-	-	315 635	330 095
<b>Grand Total</b>	<b>4 051</b>	<b>311 641</b>	<b>315 635</b>	<b>330 095</b>

**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 2024/25	National Financial Year		
		2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>EASTERN CAPE</b>				
Education	1 118	48 283	-	-
Health	249	10 720	-	-
Safety and Liaison	25	1 062	-	-
Sport, Recreation and Culture	23	977	-	-
Social Development	133	5 715	-	-
<b>Total: Eastern Cape</b>	<b>1 548</b>	<b>66 757</b>	-	-
<b>FREE STATE</b>				
Education	108	4 674	-	-
Health	193	8 310	-	-
Social Development	72	3 116	-	-
<b>Total: Free State</b>	<b>373</b>	<b>16 100</b>	-	-
<b>GAUTENG</b>				
Community Safety	82	3 544	-	-
Education	207	8 909	-	-
Health	266	11 466	-	-
Social Development	342	14 777	-	-
<b>Total: Gauteng</b>	<b>897</b>	<b>38 696</b>	-	-
<b>KWAZULU-NATAL</b>				
Community Safety and Liaison	99	4 269	-	-
Education	486	20 971	-	-
Health	527	22 688	-	-
Social Development	435	18 771	-	-
Sport and Recreation	35	1 514	-	-
<b>Total: KwaZulu-Natal</b>	<b>1 582</b>	<b>68 213</b>	-	-
<b>LIMPOPO</b>				
Education	341	14 707	-	-
Health	512	22 031	-	-
Transport and Community Safety	22	970	-	-
Social Development	115	4 958	-	-
Sport, Arts and Culture	20	873	-	-
<b>Total: Limpopo</b>	<b>1 010</b>	<b>43 539</b>	-	-
<b>MPUMALANGA</b>				
Community Safety, Security and Liaison	39	1 674	-	-
Education	43	1 872	-	-
Health	153	6 567	-	-
Social Development	67	2 910	-	-
<b>Total: Mpumalanga</b>	<b>302</b>	<b>13 023</b>	-	-
<b>NORTHERN CAPE</b>				
Education	57	2 461	-	-
Health	222	9 556	-	-
Social Development	79	3 408	-	-
Transport, Safety and Liaison	28	1 214	-	-
<b>Total: Northern Cape</b>	<b>386</b>	<b>16 639</b>	-	-
<b>NORTH WEST</b>				
Community Safety and Transport Management	31	1 357	-	-
Education	99	4 281	-	-
Health	244	10 499	-	-
Social Development	55	2 362	-	-
<b>Total: North West</b>	<b>429</b>	<b>18 499</b>	-	-
<b>WESTERN CAPE</b>				
Community Safety	64	2 778	-	-
Cultural Affairs and Sport	73	3 165	-	-
Education	192	8 266	-	-
Health	174	7 504	-	-
Social Development	59	2 525	-	-
<b>Total: Western Cape</b>	<b>562</b>	<b>24 238</b>	-	-
Unallocated	-	-	309 622	323 807
<b>Grand Total</b>	<b>7 089</b>	<b>305 704</b>	<b>309 622</b>	<b>323 807</b>

**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		
	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>Province</b>			
<b>School Infrastructure Backlogs Grant</b>			
Eastern Cape	461 634	506 992	534 992
Free State	58 558	64 310	67 863
Gauteng	60 000	65 895	69 534
KwaZulu-Natal	447 406	491 366	518 503
Limpopo	63 557	69 800	73 660
Mpumalanga	85 000	93 350	98 507
Northern Cape	55 000	60 410	63 740
North West	40 000	43 930	46 356
Western Cape	-	-	-
Unallocated	370 451	380 523	396 920
<b>Total</b>	<b>1 641 606</b>	<b>1 776 576</b>	<b>1 870 075</b>

**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)	National Health Insurance Indirect Grant		
	National Financial Year		
	2024/25 (R'000)	2025/26 (R'000)	2026/27 (R'000)
<b>Province/Components</b>			
<b>National Health Insurance Indirect Grant</b>			
Eastern Cape	431 771	453 172	424 347
Free State	133 355	139 686	136 479
Gauteng	96 067	100 514	100 508
KwaZulu-Natal	72 538	75 797	77 811
Limpopo	828 634	981 779	909 757
Mpumalanga	207 687	217 772	208 184
Northern Cape	72 538	75 797	77 811
North West	180 527	189 240	181 985
Western Cape	72 538	75 797	77 811
Unallocated	103 872	108 442	112 234
<b>Total</b>	<b>2 199 527</b>	<b>2 417 996</b>	<b>2 306 927</b>
<i>of which:</i>			
<b>Health Facility Revitalisation Component</b>			
Eastern Cape	359 233	377 375	346 536
Free State	60 817	63 889	58 668
Gauteng	23 529	24 717	22 697
KwaZulu-Natal	-	-	-
Limpopo	756 096	905 982	831 946
Mpumalanga	135 149	141 975	130 373
Northern Cape	-	-	-
North West	107 989	113 443	104 174
Western Cape	-	-	-
<b>Total</b>	<b>1 442 813</b>	<b>1 627 381</b>	<b>1 494 394</b>
<b>Health Systems Component</b>			
Eastern Cape	72 538	75 797	77 811
Free State	72 538	75 797	77 811
Gauteng	72 538	75 797	77 811
KwaZulu-Natal	72 538	75 797	77 811
Limpopo	72 538	75 797	77 811
Mpumalanga	72 538	75 797	77 811
Northern Cape	72 538	75 797	77 811
North West	72 538	75 797	77 811
Western Cape	72 538	75 797	77 811
Unallocated	103 872	108 442	112 234
<b>Total</b>	<b>756 714</b>	<b>790 615</b>	<b>812 533</b>





