

REPUBLIC OF SOUTH AFRICA

DIVISION OF REVENUE BILL

(As introduced in the National Assembly (proposed section 76); explanatory summary of Bill and prior notice of its introduction published in Government Gazette No. 45903 of 11 February 2022)
(The English text is the official text of the Bill)

(MINISTER OF FINANCE)

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BILL

To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2022/23 financial year; the determination of each province's equitable share; allocations to provinces, local government and municipalities from national government's equitable share; the responsibilities of all three spheres pursuant to such division and allocations; and to provide for matters connected therewith.

PREAMBLE

WHEREAS section 214(1) of the Constitution requires an Act of Parliament to provide for—

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

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

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

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CHAPTER 1
INTERPRETATION AND OBJECTS OF ACT

Interpretation

1. (1) In this Act, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Public Finance Management Act or the Municipal Finance Management Act has the meaning assigned to it in the Act in question, and—
- “**accreditation**” means accreditation of a municipality, in terms of section 10(2) of the Housing Act, 1997 (Act No. 107 of 1997), to administer national housing programmes, read with Part 3 of the National Housing Code, 2009 (Financial Interventions: Accreditation of Municipalities);
- “**allocation**” means the equitable share allocation to the national sphere of government in Schedule 1, a province in Schedule 2 or a municipality in Schedule 3, or a conditional allocation;
- “**category A, B or C municipality**” means a category A, B or C municipality envisaged in section 155(1) of the Constitution;
- “**classified disaster**” means a disaster classified as a national, provincial or local state of disaster in terms of section 23 of the Disaster Management Act, 2002 (Act No. 57 of 2002);
- “**conditional allocation**” means an allocation to a province or municipality from the national government’s share of revenue raised nationally, envisaged in section 214(1)(c) of the Constitution, as set out in Schedule 4, 5, 6 or 7;
- “**Constitution**” means the Constitution of the Republic of South Africa, 1996;
- “**corporation for public deposits account**” means a bank account of the Provincial Revenue Fund held with the Corporation for Public Deposits, established by the Corporation for Public Deposits Act, 1984 (Act No. 46 of 1984);
- “**Education Infrastructure Grant**” means the Education Infrastructure Grant referred to in Part A of Schedule 4;
- “**financial year**” means, in relation to—
- (a) a national or provincial department, the year ending 31 March; or
- (b) a municipality, the year ending 30 June;
- “**framework**” means the conditions and other information in respect of a conditional allocation published in terms of section 15 or 25;
- “**Health Facility Revitalisation Grant**” means the Health Facility Revitalisation Grant referred to in Part A of Schedule 5;
- “**housing emergency**” means an emergency as defined in paragraph 2.3.1(a) or (b) of the Emergency Housing Programme contained in the National Housing Code published in terms of section 4 of the Housing Act, 1997 (Act No. 107 of 1997);
- “**Human Settlements Development Grant**” means the Human Settlements Development Grant referred to in Part A of Schedule 5;
- “**legislation**” means national legislation or provincial legislation as defined in section 239 of the Constitution;
- “**level one accreditation**” means accreditation to render beneficiary management, subsidy budget planning and allocation, and priority programme management and administration, of national housing programmes;
- “**level two accreditation**” means accreditation to render full programme management and administration of all housing instruments and national housing programmes in addition to the responsibilities under a level one accreditation;
- “**Maths, Science and Technology Grant**” means the Maths, Science and Technology Grant referred to in Part A of Schedule 5;
- “**medium term expenditure framework**” means a budgeting framework applied by the National Treasury which—
- (a) translates government policies and plans into a multi-year spending plan; and
- (b) promotes transparency, accountability and effective public financial management;
- “**Municipal 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; 5
- “**payment schedule**” means a schedule which sets out—
- (a) the amount of each transfer of a provincial equitable share or a conditional allocation for a province or municipality to be transferred in terms of this Act;
 - (b) the date on which each transfer must be paid; and 10
 - (c) to whom, and to which bank account, each transfer must be paid;
- “**prescribe**” means prescribe by regulation in terms of section 37;
- “**primary bank account**”, in relation to—
- (a) a province, means a bank account of the Provincial Revenue Fund, envisaged in section 21(2) of the Public Finance Management Act and which the accounting officer of the provincial treasury has certified to the National Treasury; or 15
 - (b) a municipality, means the bank account of the municipality as determined in terms of section 8 of the Municipal Finance Management Act;
- “**Provincial Roads Maintenance Grant**” means the Provincial Roads Maintenance Grant referred to in Part A of Schedule 4; 20
- “**Public Finance Management Act**” means the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- “**Public Transport Network Grant**” means the Public Transport Network Grant referred to in Part B of Schedule 5; 25
- “**Public Transport Operations Grant**” means the Public Transport Operations Grant referred to in Part A of Schedule 4;
- “**quarter**” means, in relation to—
- (a) a national or provincial department, the period from—
 - (i) 1 April to 30 June; 30
 - (ii) 1 July to 30 September;
 - (iii) 1 October to 31 December; or
 - (iv) 1 January to 31 March; or
 - (b) a municipality, the period from—
 - (i) 1 July to 30 September; 35
 - (ii) 1 October to 31 December;
 - (iii) 1 January to 31 March; or
 - (iv) 1 April to 30 June;
- “**receiving officer**” means, in relation to—
- (a) a Schedule 4, 5 or 7 allocation transferred to a province, the accounting officer of the provincial department which receives that allocation or a portion thereof for expenditure through an appropriation from its Provincial Revenue Fund; or 40
 - (b) a Schedule 4, 5 or 7 allocation transferred or provided in kind to a municipality, the accounting officer of the municipality; 45
- “**receiving provincial department**” means, in relation to a Schedule 4, 5 or 7 allocation transferred to a province, the provincial department which receives that allocation or a portion thereof for expenditure through an appropriation from its Provincial Revenue Fund;
- “**School Infrastructure Backlogs Grant**” means the School Infrastructure Backlogs Grant referred to in Part A of Schedule 6; 50
- “**this Act**” includes any framework or allocation published, or any regulation made, in terms of this Act;
- “**transferring officer**” means the accounting officer of a national department that transfers a Schedule 4, 5 or 7 allocation to a province or municipality or spends a Schedule 6 allocation on behalf of a province or municipality; 55
- “**Urban Settlements Development Grant**” means the Urban Settlements Development Grant referred to in Part B of Schedule 4; and
- “**working day**” means any day, except a Saturday, a Sunday or a public holiday as defined in the Public Holidays Act, 1994 (Act No. 36 of 1994). 60
- (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 2022/23 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 2023/24 financial year and the 2024/25 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 2022/23 financial year is set out in Column A of Schedule 2.
- (2) The envisaged equitable share for each province of revenue anticipated to be raised nationally in respect of the 2023/24 financial year and the 2024/25 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 2022/23 financial year is set out in Column A of Schedule 3.
- (2) The envisaged equitable share for each municipality of revenue anticipated to be raised nationally in respect of the 2023/24 financial year and the 2024/25 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 transfer a municipality's equitable share referred to in subsection (1) to the primary bank account of the municipality in three transfers on 6 July 2022, 7 December 2022 and 15 March 2023, 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 2022/23 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 2022/23 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. 5

(3) Further allocations may be made from the excess revenue envisaged in subsection (2), through 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; 10
- (b) provinces; or
- (c) municipalities.

(4) (a) If any expenditure from contingencies is approved in terms of section 6 of the Appropriation Act, 2022, 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*. 15

(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). 20

CHAPTER 3

CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

Part 1

Conditional allocations

Conditional allocations to provinces 25

7. (1) Conditional allocations to provinces for the 2022/23 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; 30
- (b) Part A of Schedule 5, specifying specific-purpose allocations to provinces;
- (c) Part A of Schedule 6, specifying allocations-in-kind to provinces for designated special programmes; and
- (d) Part A of Schedule 7, specifying funds that are not allocated to specific provinces, that may be released to provinces to fund an immediate response to a classified disaster or housing emergency. 35

(2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the 2023/24 financial year and the 2024/25 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 40

(3) (a) If any expenditure from contingencies is approved in terms of section 6 of the Appropriation Act, 2022, 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*. 45

(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). 50

Conditional allocations to municipalities

8. (1) Conditional allocations to municipalities in respect of the 2022/23 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; 55

- (b) Part B of Schedule 5, specifying specific-purpose allocations to municipalities;
 - (c) Part B of Schedule 6, specifying allocations-in-kind to municipalities for designated special programmes; and
 - (d) Part B of Schedule 7, specifying funds that are not allocated to specific municipalities that may be released to municipalities to fund an immediate response to a classified disaster or housing emergency. 5
- (2) An envisaged division of conditional allocations to municipalities from the national government's share of revenue anticipated to be raised nationally for the 2023/24 financial year and the 2024/25 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). 10
- (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. 15
- (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). 20
- (4) (a) If any expenditure from contingencies is approved in terms of section 6 of the Appropriation Act, 2022, to increase any conditional allocation to municipalities, the National Treasury must increase the allocation per municipality by notice in the *Gazette*. 25
- (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*. 30
- (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

- Duties of transferring officer in respect of Schedule 4 allocations** 35
- 9.** (1) The transferring officer of a Schedule 4 allocation must—
- (a) ensure that transfers to all provinces and municipalities are—
 - (i) deposited only into the primary bank account of the relevant province or municipality; and
 - (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; 40
 - (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; 45
 - (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 50
 - (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 2022/23 financial year applicable to a provincial department or a municipality, as the case may be. 55
- (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; 60

- (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). 5

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

Duties of transferring officer in respect of Schedule 5 or 6 allocations 10

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

- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that—
 - (i) any monitoring or system that is used, is compatible and integrated with and does not duplicate other relevant national, provincial and local systems; and 15
 - (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 20
 - (bb) a municipality, shall be approved before the start of the financial year;
- (b) in respect of Schedule 5 allocations—
 - (i) transfer funds only after receipt of all information required to be submitted by the receiving officer in terms of this Act and after submission of all relevant information to the National Treasury; 25
 - (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 30
- (c) comply with the applicable framework.

(2) The transferring officer must submit all relevant information and documentation referred to in subsection (1)(a) to the National Treasury within 14 days after this Act takes effect. 35

(3) A transferring officer, who has not complied with subsection (1), must transfer the allocation in the manner instructed by the National Treasury, including transferring the allocation as an unconditional allocation.

(4) Before making the first transfer of any allocation in terms of subsection (1)(b), the transferring officer must take note of any notice in terms of section 30(1) containing the details of the relevant primary bank accounts. 40

(5) The transferring officer of a Schedule 5 allocation to a municipality is responsible for monitoring financial and non-financial performance information on programmes funded by the allocation.

(6) (a) The transferring officer of a Schedule 5 or 6 allocation must, as part of the reporting envisaged in section 40(4)(c) of the Public Finance Management Act, but subject to paragraph (b), submit information, in the format determined by the National Treasury, for the month in question, and for the 2022/23 financial year up to the end of that month, on— 45

- (i) the amount of funds transferred to a province or municipality; 50
- (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;
- (iii) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 allocation; 55
- (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 60
- (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.

(7) A transferring officer must submit to the National Treasury—

(a) a monthly provincial report on infrastructure expenditure partially or fully funded by the Health Facility Revitalisation Grant, National Health Insurance Indirect Grant, School Infrastructure Backlogs Grant or Maths, Science and Technology Grant, within 22 days after the end of each month, in the format determined by the National Treasury; and

(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.

(8) The transferring officer must evaluate the performance of all programmes partially or fully funded by a Schedule 5 or 6 allocation and submit such evaluations to the National Treasury within four months after the end of the 2022/23 financial year applicable to a provincial department or a municipality, as the case may be.

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

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

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.

(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

(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 2022, December 2022, March 2023 and June 2023, 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

(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; 5
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. 10
- (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— 15
- (a) in respect of a provincial department, after the end of the 2022/23 financial year of the provincial department; and
 - (b) in respect of a municipality, after the end of the 2022/23 financial year of the municipality. 20

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— 25
- (a) a province, as part of the report required in section 40(4)(c) of the Public Finance Management Act, report on the matters referred to in subsection (3) and submit a copy of that report to the relevant provincial treasury and the transferring officer;
 - (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant transferring officer; and 30
 - (c) a province or municipality, submit a quarterly non-financial performance report within 30 days after the end of each quarter. 35
- (3) A report for a province in terms of subsection (2)(a) must set out for the month in question and for the 2022/23 financial year up to the end of the month—
- (a) the amount received by the province;
 - (b) the amount of funds stopped or withheld in terms of section 17 or 18, the reason for the stopping or withholding and any remedial action taken; 40
 - (c) the actual expenditure by the province in respect of Schedule 5 and 7 allocations;
 - (d) the amount transferred to any national or provincial public entity to implement a programme funded by a Schedule 5 allocation on behalf of a province or to assist the province in implementing the programme; 45
 - (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; 50
 - (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 55
 - (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 2022/23 financial year up to the end of the month—
- (a) the amount received by the municipality;
 - (b) the amount of funds stopped or withheld in terms of section 17 or 18, the reason for the stopping or withholding and any remedial action taken; 60

- (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; 5
 - (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 2022/23 financial year applicable to a provincial department or a municipality, as the case may be. 10
- (6) (a) The receiving officer of the Human Settlements Development Grant must, in consultation with the transferring officer and after consultation with each affected municipality, publish in the *Gazette*, within 14 working days after this Act takes effect, the planned expenditure from the Human Settlements Development Grant, for the 2022/23 financial year, the 2023/24 financial year and the 2024/25 financial year per municipality with level one or level two accreditation. 15 20
- (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 2022/23 financial year. 25
- (c) The receiving officer of the Human Settlements Development Grant may, by notice in the *Gazette*, after taking into account the performance of the municipality and after consultation with the affected municipality and in consultation with the transferring officer, amend the planned expenditure for that municipality published in terms of paragraph (a). 30

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— 35
- (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; 40
 - (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; 45
 - (d) within seven days after the tabling in the legislature, submit the amended list to the transferring officer and the National Treasury;
 - (e) report, in the format and on the date determined by the National Treasury, to the transferring officer, relevant provincial treasury and the National Treasury, on all infrastructure expenditure partially or fully funded by the relevant Grant; 50
 - (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; 55
 - (g) within 22 days after the end of each month, submit to the National Treasury, a final report on infrastructure programmes partially or fully funded from those Grants; and 60
 - (h) within two months after the end of the 2022/23 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
- (ii) submit the evaluation to the transferring officer, the relevant provincial treasury and the National Treasury. 5

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

- (a) within 22 days after the end of each quarter, submit to the transferring officer, the relevant provincial treasury and the National Treasury, a final report on the filling of posts on the approved establishment for the infrastructure unit of the affected provincial department; and 10
- (b) ensure that projects comply with infrastructure delivery management best practice standards and guidelines, as identified and approved by the National Treasury.

Duties in respect of annual financial statements and annual reports for 2022/23 15

14. (1) The 2022/23 financial statements of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—

- (a) indicate the total amount of that allocation transferred to a province or municipality; 20
- (b) indicate any transfer withheld or stopped in terms of section 17 or 18 in respect of each province or municipality and the reason for the withholding or stopping;
- (c) indicate any transfer not made in accordance with the payment schedule or amended payment schedule, unless withheld or stopped in terms of section 17 or 18, and the reason for the non-compliance; 25
- (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
- (f) indicate the funds, if any, used for the administration of the allocation by the receiving officer. 30

(2) The 2022/23 annual report of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation, indicate—

- (a) the reasons for the withholding or stopping of all transfers to a province or municipality in terms of section 17 or 18; 35
- (b) the extent that compliance with this Act by provinces or municipalities was monitored;
- (c) the extent that the allocation achieved its objectives and outputs; and
- (d) any non-compliance with this Act and the steps taken to address the non-compliance. 40

(3) The 2022/23 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—

- (a) indicate the total amount of all allocations received; 45
- (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
 - (ii) the reasons for any discrepancies; 50
- (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.

(4) The 2022/23 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— 55

- (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;
- (d) contain any other information that may be specified in the framework for the allocation; and 60

(e) contain such other information as the National Treasury may determine.

(5) The 2022/23 financial statements and annual report of a municipality receiving an allocation in Schedule 4, 5 or 7 must be prepared in accordance with the Municipal Finance Management Act.

(6) To facilitate the monitoring of performance and the audit of the allocations for the 2022/23 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). 5

Part 3

Matters relating to Schedule 4 to 7 allocations 10

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*—

(a) the conditional allocations per municipality for Part B of Schedule 5 allocations; 15

(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.

(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— 20

(a) on its initiative and after consultation with the relevant transferring officer; or

(b) at the written request of the relevant transferring officer,

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). 25

(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 when Parliament is in session.

(5) An amendment of an allocation or framework in terms of subsection (2) or (3) 30 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. 35

(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 40

(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).

(3) A receiving officer may not allocate any portion of a Schedule 5 allocation to any other organ of state for the performance of a function, unless the receiving officer and the organ of state agree on the obligations of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and the National Treasury of the agreed payment schedule and— 45

(a) the allocation—

(i) is approved in the budget for the receiving provincial department or municipality; or 50

(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 55

(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) The receiving officer must submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury before payment is made. 5
- (5) (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 10
- (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— 15
- (i) Eskom Holdings Limited or the 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 2022/23 financial year. 20
- (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 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 25
- (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. 30
- (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 35
- (bb) minimise the risk of under-spending by Eskom Holdings Limited or the 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 water board. 40
- (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).
- (f) Despite paragraph (b), a transferring officer may reallocate funds in terms of section 19(3). 45
- (g) (i) Section 21(1) and (2) applies to funds referred to in paragraph (a).
- (ii) Eskom Holdings Limited or the 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. 50
- (iii) Eskom Holdings Limited or the water board must request the roll-over of unspent funds through the relevant transferring officer.
- (6) (a) For purposes of the Human Settlements Development Grant, a receiving officer and a municipality with level one or two accreditation or functions assigned in terms of section 126 of the Constitution to administer all aspects, including financial administration of a national housing programme (herein called “assigned functions”) as at 1 April 2022, must, by the date determined by the National Treasury— 55
- (i) agree on a payment schedule; and
- (ii) submit, through the relevant provincial treasury, the payment schedule to the National Treasury. 60
- (b) If a municipality receives accreditation after 1 April 2022, the National Treasury may approve that paragraph (a) applies to that municipality.

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

(7) If a function, which is partially or fully funded by a conditional allocation to a province, is assigned to a municipality, as envisaged in section 10 of the Municipal Systems Act— 5

- (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; 10
- (b) if possible, the province must finalise any project or fulfil any contract regarding the function before the date the function is assigned and, if not finalised, the province must notify the relevant municipality and the National Treasury;
- (c) any project or contract regarding the function not finalised or fulfilled at the date at which the function is assigned, must be subjected to an external audit and the province and the municipality must enter into an agreement to complete the project or fulfil the contract through ceding it to the municipality; 15
- (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 2023 and shall not be available in terms of section 30 of the Public Finance Management Act or section 22(2); 20
- (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 25
- (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. 30

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— 35

- (a) the province or municipality does not comply with any provision of this Act;
- (b) roll-overs of conditional allocations approved by the National Treasury in terms of section 21 have not been spent; or
- (c) there is significant under-expenditure on previous transfers during the 2022/23 financial year. 40

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

(3) The amount withheld in terms of this section in the case of the 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. 45

(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— 50
 - (i) notice of the intention to withhold the allocation; and
 - (ii) an opportunity to submit written representations as to why the allocation should not be withheld; and
- (b) inform the relevant provincial treasury and the National Treasury, and in respect of any conditional allocation to a municipality, also the provincial department responsible for local government of the withholding. 55

(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—
- (i) facilitate compliance with this Act; or
 - (ii) minimise the risk of under-spending by the relevant provincial department or municipality. 5
- (b) When requesting the withholding of an allocation in terms of this subsection, a transferring officer must submit to the National Treasury proof of compliance with subsection (4) and any representations received from the receiving officer.
- (c) The transferring officer must again comply with subsection (4) when the National Treasury instructs, or approves a request by, the transferring officer in terms of paragraph (a). 10

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— 15
- (a) in the case of—
 - (i) a province, if a serious or persistent material breach of this Act, as envisaged in section 216(2) of the Constitution, occurs; or
 - (ii) a municipality, if— 20
 - (aa) a serious or persistent material breach of this Act, as envisaged in section 216(2) of the Constitution, read with section 38(1)(b)(i) of the Municipal Finance Management Act, occurs; or
 - (bb) a breach or failure to comply, as envisaged in section 38(1)(b)(ii) of the Municipal Finance Management Act, occurs; 25
 - (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 2022/23 financial year; or
 - (c) for purposes of the assignment of a function from a province to a municipality, as envisaged in section 10 of the Municipal Systems Act. 30
- (2) The National Treasury must, before stopping an allocation in terms of subsection (1)(a)(i) or (b)—
- (a) comply with the procedures in section 17(4)(a); and
 - (b) inform the relevant provincial treasury of its intention to stop the allocation.
- (3) The National Treasury must, before stopping an allocation in terms of subsection (1)(a)(ii), comply with the applicable provisions of section 38 of the Municipal Finance Management Act. 35
- (4) The National Treasury must give notice in the *Gazette* of the stopping of an allocation in terms of this section and include in the notice the effective date of, and reason for, the stopping. 40
- (5) (a) If—
- (i) an allocation, or any portion thereof, is stopped in terms of subsection (1)(a) or (b); and
 - (ii) the relevant transferring officer certifies, in writing, to the National Treasury that the payment of an amount in terms of a statutory or contractual obligation is overdue and the allocation, or a portion thereof, was intended for payment of the amount, 45
- the National Treasury may, by notice in the *Gazette*, approve that the allocation, or any portion thereof, be used to pay that amount partially or fully.
- (b) The utilisation of funds envisaged in this subsection is a direct charge against the National Revenue Fund. 50

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 2022/23 financial year. 55

(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 2022/23 financial year. 5

(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. 10

(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. 15

(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. 20

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

(d) The reallocated portion must, as far as possible, be spent by the end of the 2022/23 financial year. 25

(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); and 30
- (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 2022/23 financial year is eligible for a roll-over in terms of section 21(2). 35

(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 stopped in terms of section 18 on behalf of the relevant province; 40
- (ii) section 139 of the Constitution or section 137 or 139 of the Municipal Finance Management Act, the intervening province to spend an allocation stopped in terms of section 18 on behalf of the relevant municipality; or
- (iii) section 150 of the Municipal Finance Management Act, the relevant transferring officer to spend an allocation stopped in terms of section 18 on behalf of the relevant municipality. 45

(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. 50

(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. 55

(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. 60

(c) The reallocated funds must be used in the 2022/23 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.

(e) Subsection (4) applies, with the necessary changes, to a reallocation in terms of this subsection to another province or municipality. 5

Conversion of allocations

20. (1) If satisfied that the relevant provincial department or municipality has demonstrated the capacity to implement projects, the National Treasury may, at the request of the transferring officer and after consultation with the receiving officer, convert any portion of— 10

- (a) an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5;
- (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 Programme Grant, Human Resources and Training Grant or the National Health Insurance Grant listed in Part A of Schedule 5. 15

(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— 20

- (a) the conversion shall prevent under-expenditure or improve the level of service delivery in respect of the allocation in question;
- (b) the affected national or provincial department or municipality has demonstrated the capacity to implement projects; 25
- (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
- (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. 30

(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. 35

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

- (i) be used for the same province or municipality to which the allocation was originally made; and 40
- (ii) if—
 - (aa) possible, be used to implement the same project or projects that were planned if the allocation had not been converted; or
 - (bb) not possible, the receiving officer must sign an agreement that defines any new project to be funded, before it is implemented. 45

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

- (i) for the same province to which the allocation was originally made; and
- (ii) to implement the same project or projects that were planned if the allocation had not been converted. 50

(5) The National Treasury must—

- (a) give notice in the *Gazette* of a conversion in terms of subsection (1), (2) or (3); and
- (b) provide a copy of the notice to the transferring officer and each affected receiving officer. 55

(6) A conversion in terms of subsection (1), (2) or (3) takes effect on the date of publication of the notice in terms of subsection (5)(a).

(7) If an allocation listed in Schedule 7 is insufficient for a classified disaster or housing emergency referred to in section 25(3)(a), the National Treasury may, after consultation with, or on the request of, the relevant transferring officer, convert any portion of— 60

- (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;
 - (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;
 - (c) the Provincial Emergency Housing Grant listed in Part A of Schedule 7 to the Municipal Emergency Housing Grant listed in Part B of Schedule 7; or
 - (d) the Municipal Emergency Housing Grant listed in Part B of Schedule 7 to the Provincial Emergency Housing Grant listed in Part A of Schedule 7.
- (8) The National Treasury must—
- (a) in the notice published in terms of section 25(3)(c), include notification of the conversion in terms of subsection (7) and the effective date referred to in subsection (9); and
 - (b) provide a copy of the notice to the transferring officer.
- (9) A conversion in terms of subsection (7) takes effect on the date that the National Treasury approves it.

Unspent conditional allocations

- 21.** (1) Despite a provision to the contrary in the Public Finance Management Act or the Municipal Finance Management Act, any conditional allocation, or a portion thereof, that is not spent at the end of the 2022/23 financial year reverts to the National Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2).
- (2) The National Treasury may, at the request of a transferring officer, receiving officer or provincial treasury, approve a roll-over of a conditional allocation to the 2023/24 financial year if the unspent funds are committed to identifiable projects.
- (3) (a) The receiving officer must ensure that any funds that must revert to the National Revenue Fund in terms of subsection (1), are paid into that Fund by the date determined by the National Treasury.
- (b) The receiving officer must—
 - (i) in the case of a provincial department, request the roll-over of unspent funds through its provincial treasury; and
 - (ii) inform the transferring officer of all processes regarding the request.
- (4) (a) The National Treasury may, subject to paragraphs (b) and (c), offset any funds that must revert to the National Revenue Fund in terms of subsection (1), but not paid into that Fund by the date determined in terms of subsection (3)(a)—
- (i) in respect of a province, against future transfers of conditional allocations to that province; or
 - (ii) in respect of a municipality, against future transfers of the equitable share or conditional allocations to that municipality.
- (b) Before any funds are offset in terms of paragraph (a), the National Treasury must give the relevant transferring officer, province or municipality—
- (i) notice of the intention to offset amounts against future allocations, the intended amount to be offset against allocations, the intended date for the offsetting and the reasons for the offsetting; and
 - (ii) an opportunity, within 14 days of receipt of the notice, to—
 - (aa) propose an alternative date for offsetting;
 - (bb) make written submissions why the full or a part of the amount should not be offset; or
 - (cc) propose an alternative date or dates by which the amount, or portions thereof, must be paid into the National Revenue Fund.
- (c) The National Treasury must—
- (i) accept the date or dates proposed in terms of paragraph (b)(ii)(aa) or (cc) or determine a different date or dates; or
 - (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. 5

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. 10

(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— 15

(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 20

(ii) on such conditions as it may determine.

(d) Any advance in terms of paragraph (c) must be offset against transfers to the province, which would otherwise become due in terms of the payment schedule.

(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). 25

(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.

(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— 30

(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 35

(iii) on such conditions as the National Treasury may determine.

(d) Any advance in terms of paragraph (c) must be offset against transfers to the municipality, which would otherwise become due in terms of section 5(3). 40

(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. 45

(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. 50

(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. 55

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. 5

(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— 10

- (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. 15

(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. 20

(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. 25

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

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

New allocations during financial year and Schedule 7 allocations 35

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

- (a) amend any allocation or framework published in terms of section 15;
- (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 40
- (c) publish a framework for any new Schedule 4, 5, 6 or 7 allocation.

(2) Section 15(2) to (5) applies, with the necessary changes, to allocations and frameworks published in terms of subsection (1). 45

(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 or a housing emergency, within 100 days after the date of the that disaster or emergency.

(b) The transferring officer must notify the relevant provincial treasury and the National Treasury within 14 days of a transfer of a Schedule 7 allocation to a province or municipality. 50

(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 or housing emergency. 55

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

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

Preparations for 2023/24 financial year and 2024/25 financial year

26. (1) (a) A category C municipality that receives a conditional allocation in terms of this Act must, using the indicative conditional allocations to that municipality for the 2023/24 financial year and the 2024/25 financial year as set out in Column B of the Schedules to this Act, by 16 September 2022—

(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 2023/24 financial year and the 2024/25 financial year; and

(ii) submit to the transferring officer—
 (aa) the provisional allocations referred to in subparagraph (i); and
 (bb) the projects referred to in subparagraph (i), listed per municipality.

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

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

(d) Any proposed amendment or adjustment of the allocations that is intended to be published in terms of section 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 3 October 2022, 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 2022.

(ii) If the transferring officer fails to submit the allocations referred to in subparagraph (i) by 2 December 2022, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the 2023/24 financial year.

(2) (a) The transferring officer of a conditional allocation, using the indicative conditional allocations for the 2023/24 financial year and the 2024/25 financial year, as set out in Column B of the affected Schedules to this Act, must, by 3 October 2022, 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 2023/24 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, other than the transferring or receiving officer, on a duty in the draft framework, before submission to the National Treasury in terms of paragraph (a).

(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 2023/24 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 2022, 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 2023/24 financial year. 5

(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. 10

(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 2023/24 financial year. 15

(4) (a) For purposes of the Education Infrastructure Grant or Health Facility Revitalisation Grant in the 2023/24 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— 20

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

(ii) an infrastructure programme management plan, including a construction procurement strategy for infrastructure programmes and projects envisaged to commence within the period for the medium term expenditure framework; and 25

(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. 30

(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 2022/23 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. 35

(5) (a) Any category B municipality may apply to qualify for the Integrated Urban Development Grant, by submitting an application to the Department of Cooperative Governance by 29 July 2022.

(b) The Department of Cooperative Governance must determine the form of the application, including the minimum qualifying conditions. 40

(c) The Department of Cooperative Governance must submit, by 3 October 2022, 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.

(d) A municipality that is informed by the Department of Cooperative Governance that it will qualify for the Integrated Urban Development Grant, must submit to the Department of Cooperative Governance— 45

(i) by 31 March 2023, a first draft of its three-year capital programme and the 10-year Capital Expenditure Framework; and

(ii) by 31 May 2023, 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. 50

(6) (a) A provincial treasury must, in respect of the 2023/24 financial year—

(i) on the same date that its budget for the 2023/24 financial year is tabled in the provincial legislature; or 55

(ii) on a date not later than 15 June 2023 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 15 June 2023.

Transfers before commencement of Division of Revenue Act for 2023/24 financial year

27. (1) Despite the Division of Revenue Act for the 2023/24 financial year not having commenced on 1 April 2023, the National Treasury may determine that an amount, not exceeding 45 per cent of the total amount of each— 5
- (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;
 - (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. 10
- (2) An amount is transferred in terms of subsection (1)(c) is, with the necessary changes, subject to the applicable framework for the 2022/23 financial year and the other requirements of this Act, as if it is an amount of an allocation for the 2022/23 financial year. 15

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 tabled in accordance with section 16 of the Municipal Finance Management Act, for the 2022/23 financial year, the 2023/24 financial year and the 2024/25 financial year, except if submitted in terms of any other legislation before the end of the 10-day period. 20 25
- (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. 30
- (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. 35
- (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—
- (a) the category C municipality retaining the function in terms of the Municipal Structures Act; and 40
 - (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.
- (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— 45
- (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
 - (b) obtaining authorisation to perform the function in terms of the Municipal Structures Act. 50
- (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. 55
- (b) A category C municipality must make transfers in accordance with the payment schedule submitted in terms of paragraph (a).

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

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

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

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

(c) If an allocation is stopped in terms of this subsection, the National Treasury may, after consultation with the transferring officer, determine that a portion of the allocation that will not be spent, be reallocated to one or more municipalities, on condition that the allocation must be spent by the end of the 2022/23 financial year or the 2023/24 financial year.

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

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.

(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;
- (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;
- (iv) the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the 2023/24 financial year and the 2024/25 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.

(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.

(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.

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

(b) Any amendments to the allocations published in terms of subsection (2)(a) or (c) must be published, by notice in the *Gazette*, not later than 4 February 2023 or such later date as approved by the National Treasury and takes effect on the date of publication.

- (4) A provincial treasury must, as part of its report in terms of section 40(4)(b) and (c) of the Public Finance Management Act, in the format determined by the National Treasury, report on—
- (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 5
 - (b) actual transfers made by the province to municipalities and public entities and actual expenditure by municipalities and public entities on such transfers, based on the latest information available from municipalities and public entities at the time of reporting. 10
- (5) (a) A provincial treasury must—
- (i) ensure that a payment schedule, or any amendment thereof, is agreed between each provincial department and receiving institution envisaged in subsection (2)(a); 15
 - (ii) ensure that transfers are made promptly to the relevant receiving officer in terms of the agreed payment schedule; and
 - (iii) submit the payment schedules to the National Treasury within 14 days after this Act takes effect and any amended payment schedule, agreed to, within 14 days of it being agreed to. 15
- (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. 20
- (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. 25
- (7) If a provincial treasury fails to make the transfer requested by the receiving officer or provide reasons in terms of subsection (6), or the receiving officer disputes the reasons provided by the provincial treasury as to why the transfer has not been made, the receiving officer may request the National Treasury to investigate the matter. 30
- (8) On receipt of a request in terms of subsection (7), the National Treasury must—
- (a) consult the transferring officer on the matter;
 - (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 35
 - (d) advise the provincial treasury and the receiving officer as to what steps must be taken to ensure the transfer. 35

Duties and powers of National Treasury 40

- 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. 45
- (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 50
 - (b) in respect of municipal finances.

CHAPTER 6

GENERAL

Liability for costs incurred in violation of principles of cooperative governance and intergovernmental relations 55

- 31.** (1) An organ of state involved in an intergovernmental dispute regarding any provision of this Act or any division of revenue matter or allocation, must comply with

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

(2) If a dispute is referred back by a court in terms of section 41(4) of the Constitution, due to the court not being satisfied that the organ of state approaching the court has complied with section 41(3) of the Constitution, the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful. 5

(3) The amount of any such fruitless and wasteful expenditure must, in terms of the applicable procedures in the Public Finance Management Act or the Municipal Finance Management Act, be recovered, without delay, from every person who caused the organ of state not to comply with section 41(3) of the Constitution. 10

Irregular expenditure

32. Expenditure of an allocation in Part B of Schedule 4 or Part B of Schedule 5 contrary to this Act is irregular expenditure in terms of the Municipal Finance Management Act, except if it is unauthorised expenditure in terms of the Municipal Finance Management Act. 15

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). 20

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. 25

(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 30
- (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. 35

(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. 40

(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 45

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— 50

- (a) cannot be implemented in practice;
- (b) impedes the achievement of any object of this Act;
- (c) impedes an immediate response to a classified disaster; or
- (d) undermines the financial viability of the affected national or provincial department or municipality. 55

(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— 5
- (a) anything which must or may be prescribed in terms of this Act; or
 - (b) any ancillary or incidental administrative or procedural matter that is necessary to prescribe for the proper implementation or administration of this Act.

Repeal of laws and savings

- 37.** (1) Subject to subsection (2)— 10
- (a) the Division of Revenue Act, 2021 (Act No. 9 of 2021), except sections 15 and 25, is hereby repealed;
 - (b) sections 15 and 25 of the Division of Revenue Act, 2021, are hereby repealed with effect from 1 July 2022 or the date that this Act takes effect, whichever is the later date; 15
 - (c) the Division of Revenue Amendment Act, 2021 (Act No. 17 of 2021), 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 2022/23 financial year; and 20
 - (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, 2021, 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. 25

Short title and commencement

38. This Act is called the Division of Revenue Act, 2022, and takes effect on 1 April 2022 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	
	2022/23	Forward Estimates	
		2023/24	2024/25
	R'000	R'000	R'000
National ^{1,2}	1 327 188 238	1 354 771 376	1 433 054 261
Provincial	560 756 789	543 149 099	562 018 365
Local	87 311 493	94 086 549	101 486 470
TOTAL	1 975 256 520	1 992 007 024	2 096 559 096

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

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

Province	Column A	Column B	
	2022/23	Forward Estimates	
		2023/24	2024/25
	R'000	R'000	R'000
Eastern Cape	72 230 960	69 779 414	71 841 946
Free State	31 107 440	30 108 911	31 108 873
Gauteng	120 041 881	116 263 997	120 759 712
KwaZulu-Natal	114 509 371	110 785 551	114 372 560
Limpopo	64 055 553	62 073 445	64 127 292
Mpumalanga	45 961 922	44 595 498	46 220 404
Northern Cape	14 942 081	14 434 374	14 894 537
North West	39 540 134	38 297 617	39 701 790
Western Cape	58 367 447	56 810 292	58 991 251
TOTAL	560 756 789	543 149 099	562 018 365

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	
		2022/23	Forward Estimates	
		2023/24	2024/25	
		R'000	R'000	R'000
EASTERN CAPE				
A	BUF Buffalo City	1 045 448	1 118 513	1 196 538
A	NMA Nelson Mandela Bay	1 288 228	1 389 940	1 499 327
B	EC101 Dr Beyers Naude	107 059	113 403	120 189
B	EC102 Blue Crane Route	63 385	66 766	70 361
B	EC104 Makana	113 634	120 916	128 742
B	EC105 Ndlambe	119 231	127 404	136 203
B	EC106 Sundays River Valley	101 270	109 324	118 080
B	EC108 Kouga	163 292	178 068	194 266
B	EC109 Kou-Kamma	60 474	64 297	68 401
C	DC10 Sarah Baartman District Municipality	104 576	108 076	111 800
Total: Sarah Baartman Municipalities		832 921	888 254	948 042
B	EC121 Mbhashe	294 923	309 715	325 749
B	EC122 Mquma	307 329	322 690	339 332
B	EC123 Great Kei	50 186	52 669	55 371
B	EC124 Amahlathi	124 987	131 233	138 013
B	EC126 Ngqushwa	97 609	102 491	107 791
B	EC129 Raymond Mhlaba	204 622	214 843	225 922
C	DC12 Amathole District Municipality	1 025 616	1 089 808	1 157 054
Total: Amathole Municipalities		2 105 272	2 223 449	2 349 232
B	EC131 Inxuba Yethemba	50 744	53 513	56 553
B	EC135 Intsika Yethu	187 928	197 362	207 594
B	EC136 Emalahleni	146 186	153 517	161 472
B	EC137 Engcobo	175 143	183 919	193 442
B	EC138 Sakhisizwe	80 323	84 300	88 614
B	EC139 Enoch Mgijima	215 409	227 256	240 103
C	DC13 Chris Hani District Municipality	654 460	694 535	736 185
Total: Chris Hani Municipalities		1 510 193	1 594 402	1 683 963
B	EC141 Elundini	180 384	189 543	199 503
B	EC142 Senqu	177 125	185 969	195 549
B	EC145 Walter Sisulu	70 586	75 058	79 983
C	DC14 Joe Gqabi District Municipality	334 540	355 541	377 446
Total: Joe Gqabi Municipalities		762 635	806 111	852 481
B	EC153 Ngquza Hill	310 567	328 047	347 096
B	EC154 Port St Johns	182 985	192 993	203 901
B	EC155 Nyandeni	313 293	329 933	348 046
B	EC156 Mhlontlo	217 727	228 667	240 534
B	EC157 King Sabata Dalindyebo	404 115	429 505	457 148
C	DC15 O.R. Tambo District Municipality	1 051 671	1 121 633	1 194 795
Total: O.R. Tambo Municipalities		2 480 358	2 630 778	2 791 520
B	EC441 Matatiele	286 308	302 542	320 232
B	EC442 Umzimvubu	260 936	274 427	289 104
B	EC443 Winnie Madikizela-Mandela	320 095	339 797	361 325
B	EC444 Ntabankulu	149 587	157 110	165 284
C	DC44 Alfred Nzo District Municipality	686 652	732 425	780 318
Total: Alfred Nzo Municipalities		1 703 578	1 806 301	1 916 263
Total: Eastern Cape Municipalities		11 728 633	12 457 748	13 237 366

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	
		2022/23	Forward Estimates	
			2023/24	2024/25
		R'000	R'000	
FREE STATE		R'000	R'000	R'000
A	MAN Mangaung	938 383	1 016 375	1 101 022
B	FS161 Letsemeng	79 028	84 111	89 598
B	FS162 Kopanong	103 546	109 568	116 036
B	FS163 Mohokare	86 952	93 048	99 665
C	DC16 Xhariep District Municipality	49 161	51 012	53 026
Total: Xhariep Municipalities		318 687	337 739	358 325
B	FS181 Masilonyana	147 095	157 474	168 728
B	FS182 Tokologo	70 432	74 632	79 161
B	FS183 Tswelopele	91 219	96 652	102 508
B	FS184 Matjhabeng	628 523	674 469	723 986
B	FS185 Nala	144 920	152 771	161 094
C	DC18 Lejweleputswa District Municipality	144 044	148 826	153 916
Total: Lejweleputswa Municipalities		1 226 233	1 304 824	1 389 393
B	FS191 Setsoto	234 466	249 436	265 561
B	FS192 Dihlabeng	210 193	227 249	245 781
B	FS193 Nketoana	120 870	129 547	138 964
B	FS194 Maluti-a-Phofung	744 441	795 361	850 194
B	FS195 Phumelela	93 052	99 116	105 672
B	FS196 Mantsopa	102 426	109 296	116 731
C	DC19 Thabo Mofutsanyana District Municipality	130 459	135 676	141 290
Total: Thabo Mofutsanyana Municipalities		1 635 907	1 745 681	1 864 193
B	FS201 Moqhaka	257 433	276 512	297 125
B	FS203 Ngwathe	241 451	258 780	277 488
B	FS204 Metsimaholo	246 748	271 646	299 154
B	FS205 Mafube	118 903	127 257	136 313
C	DC20 Fezile Dabi District Municipality	168 576	172 779	177 162
Total: Fezile Dabi Municipalities		1 033 111	1 106 974	1 187 242
Total: Free State Municipalities		5 152 321	5 511 593	5 900 175

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	
		2022/23	Forward Estimates	
			2023/24	2024/25
		R'000	R'000	
GAUTENG		R'000	R'000	R'000
A	EKU City of Ekurhuleni	4 606 943	5 049 907	5 539 300
A	JHB City of Johannesburg	6 279 400	6 908 453	7 605 792
A	TSH City of Tshwane	3 551 250	3 911 639	4 311 587
B	GT421 Emfuleni	971 061	1 045 887	1 127 310
B	GT422 Midvaal	143 164	157 585	173 669
B	GT423 Lesedi	181 382	200 326	221 527
C	DC42 Sedibeng District Municipality	293 991	301 590	309 550
Total: Sedibeng Municipalities		1 589 598	1 705 388	1 832 056
B	GT481 Mogale City	539 525	591 056	647 957
B	GT484 Merafong City	259 031	279 761	302 376
B	GT485 Rand West City	393 139	427 340	464 870
C	DC48 West Rand District Municipality	230 252	237 384	244 940
Total: West Rand Municipalities		1 421 947	1 535 541	1 660 143
Total: Gauteng Municipalities		17 449 138	19 110 928	20 948 878

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	
			2022/23	Forward Estimates	
			2023/24	2024/25	
		R'000	R'000	R'000	
KWAZULU-NATAL					
A	ETH	eThekwini	4 057 189	4 405 068	4 784 326
B	KZN212	uMdoni	162 218	172 764	184 404
B	KZN213	uMzumbe	154 862	162 624	171 055
B	KZN214	uMuziwabantu	110 541	116 678	123 412
B	KZN216	Ray Nkonyeni	260 646	280 634	302 772
C	DC21	Ugu District Municipality	585 146	629 020	675 761
Total: Ugu Municipalities			1 273 413	1 361 720	1 457 404
B	KZN221	uMshwathi	123 847	131 483	139 905
B	KZN222	uMngeni	88 389	96 528	105 719
B	KZN223	Mpofana	43 460	45 944	48 681
B	KZN224	iMpendle	45 621	47 867	50 309
B	KZN225	Msunduzi	696 056	753 259	815 484
B	KZN226	Mkhambathini	77 519	82 718	88 459
B	KZN227	Richmond	86 421	92 298	98 789
C	DC22	uMgungundlovu District Municipality	669 855	719 625	773 062
Total: uMgungundlovu Municipalities			1 831 168	1 969 722	2 120 408
B	KZN235	Okhahlamba	149 733	158 035	167 146
B	KZN237	iNkosi Langalibalele	218 092	232 136	247 623
B	KZN238	Alfred Duma	285 377	303 422	323 230
C	DC23	uThukela District Municipality	539 912	578 248	618 980
Total: uThukela Municipalities			1 193 114	1 271 841	1 356 979
B	KZN241	eNdumeni	60 247	65 357	71 086
B	KZN242	Nquthu	169 636	179 103	189 496
B	KZN244	uMsinga	206 533	219 494	233 769
B	KZN245	uMvoti	162 289	174 754	188 605
C	DC24	uMzinyathi District Municipality	453 007	488 712	526 952
Total: uMzinyathi Municipalities			1 051 712	1 127 420	1 209 908
B	KZN252	Newcastle	466 902	500 929	537 742
B	KZN253	eMadlangeni	36 076	37 972	40 060
B	KZN254	Dannhauser	108 935	114 623	120 861
C	DC25	Amajuba District Municipality	201 814	214 724	228 494
Total: Amajuba Municipalities			813 727	868 248	927 157

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	
				2022/23	Forward Estimates	
		R'000	2023/24	2024/25	R'000	R'000
B	KZN261	eDumbe	93 423	98 746	104 590	
B	KZN262	uPhongolo	169 597	181 265	194 154	
B	KZN263	AbaQulusi	187 494	201 285	216 516	
B	KZN265	Nongoma	189 932	200 809	212 753	
B	KZN266	Ulundi	196 348	207 441	219 619	
C	DC26	Zululand District Municipality	586 391	630 327	677 132	
Total: Zululand Municipalities			1 423 185	1 519 873	1 624 764	
B	KZN271	uMhlabuyalingana	213 526	228 948	246 023	
B	KZN272	Jozini	230 520	245 556	262 128	
B	KZN275	Mtubatuba	215 419	232 085	250 611	
B	KZN276	Big Five Hlabisa	137 249	146 925	157 631	
C	DC27	uMkhanyakude District Municipality	537 398	582 711	631 473	
Total: uMkhanyakude Municipalities			1 334 112	1 436 225	1 547 866	
B	KZN281	uMfolozi	165 314	176 706	189 299	
B	KZN282	uMhlathuze	471 939	513 500	559 016	
B	KZN284	uMlalazi	226 733	240 511	255 679	
B	KZN285	Mthonjaneni	93 695	98 363	103 439	
B	KZN286	Nkandla	114 409	120 091	126 256	
C	DC28	King Cetshwayo District Municipality	647 196	692 113	739 935	
Total: King Cetshwayo Municipalities			1 719 286	1 841 284	1 973 624	
B	KZN291	Mandeni	212 818	229 175	247 341	
B	KZN292	KwaDukuza	228 012	251 988	279 137	
B	KZN293	Ndwedwe	181 613	193 331	206 251	
B	KZN294	Maphumulo	108 314	113 706	119 552	
C	DC29	iLembe District Municipality	680 949	742 133	808 493	
Total: iLembe Municipalities			1 411 706	1 530 333	1 660 774	
B	KZN433	Greater Kokstad	75 091	79 911	85 246	
B	KZN434	uBuhlebezwe	131 712	138 861	146 705	
B	KZN435	uMzimkhulu	230 678	244 897	260 542	
B	KZN436	Dr Nkosazana Dlamini Zuma	152 466	161 516	171 465	
C	DC43	Harry Gwala District Municipality	432 161	462 712	495 104	
Total: Harry Gwala Municipalities			1 022 108	1 087 897	1 159 062	
Total: KwaZulu-Natal Municipalities			17 130 720	18 419 631	19 822 272	

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	
				2022/23	Forward Estimates	
		R'000	2023/24	2024/25	R'000	R'000
LIMPOPO						
B	LIM331	Greater Giyani	352 203	374 568	399 166	
B	LIM332	Greater Letaba	341 960	363 981	388 217	
B	LIM333	Greater Tzaneen	481 161	515 385	553 067	
B	LIM334	Ba-Phalaborwa	189 853	203 780	219 209	
B	LIM335	Maruleng	153 904	164 158	175 461	
C	DC33	Mopani District Municipality	1 170 419	1 262 191	1 360 105	
Total: Mopani Municipalities			2 689 500	2 884 063	3 095 225	
B	LIM341	Musina	193 793	213 536	235 863	
B	LIM343	Thulamela	547 969	584 829	625 454	
B	LIM344	Makhado	445 889	476 726	510 634	
B	LIM345	Collins Chabane	454 043	483 226	515 331	
C	DC34	Vhembe District Municipality	1 276 805	1 381 588	1 493 927	
Total: Vhembe Municipalities			2 918 499	3 139 905	3 381 209	
B	LIM351	Blouberg	221 256	232 831	245 509	
B	LIM353	Molemole	168 761	177 379	186 814	
B	LIM354	Polokwane	1 196 549	1 300 435	1 413 976	
B	LIM355	Lepele-Nkumpi	301 329	318 557	337 450	
C	DC35	Capricorn District Municipality	730 232	777 919	828 511	
Total: Capricorn Municipalities			2 618 127	2 807 121	3 012 260	
B	LIM361	Thabazimbi	122 061	133 346	145 780	
B	LIM362	Lephalale	202 071	223 270	246 827	
B	LIM366	Bela-Bela	117 909	128 236	139 598	
B	LIM367	Mogalakwena	535 476	570 087	607 300	
B	LIM368	Modimolle-Mookgophong	134 343	143 095	152 490	
C	DC36	Waterberg District Municipality	145 500	150 601	156 119	
Total: Waterberg Municipalities			1 257 360	1 348 635	1 448 114	
B	LIM471	Ephraim Mogale	178 826	190 583	203 533	
B	LIM472	Elias Motsoaledi	334 260	357 024	382 127	
B	LIM473	Makhuduthamaga	324 200	343 247	364 150	
B	LIM476	Fetakgomo Tubatse	537 000	580 487	628 645	
C	DC47	Sekhukhune District Municipality	989 172	1 070 187	1 157 043	
Total: Sekhukhune Municipalities			2 363 458	2 541 528	2 735 498	
Total: Limpopo Municipalities			11 846 944	12 721 252	13 672 306	

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	
			2022/23	Forward Estimates	
2023/24	2024/25				
			R'000	R'000	R'000
MPUMALANGA					
B	MP301	Chief Albert Luthuli	388 235	415 844	445 905
B	MP302	Msukaligwa	227 520	248 969	272 622
B	MP303	Mkhondo	303 974	329 733	358 075
B	MP304	Dr Pixley ka Isaka Seme	146 850	156 643	167 275
B	MP305	Lekwa	152 423	165 184	179 130
B	MP306	Dipaleseng	91 860	99 221	107 305
B	MP307	Govan Mbeki	380 023	417 947	459 878
C	DC30	Gert Sibande District Municipality	317 655	325 322	333 299
Total: Gert Sibande Municipalities			2 008 540	2 158 863	2 323 489
B	MP311	Victor Khanye	127 094	138 966	152 118
B	MP312	Emalahleni	493 518	547 463	607 598
B	MP313	Steve Tshwete	284 669	319 506	358 779
B	MP314	Emakhazeni	80 242	86 552	93 475
B	MP315	Thembisile Hani	513 707	553 358	596 570
B	MP316	Dr JS Moroka	461 561	489 995	520 754
C	DC31	Nkangala District Municipality	388 810	398 773	409 204
Total: Nkangala Municipalities			2 349 601	2 534 613	2 738 498
B	MP321	Thaba Chweu	187 934	205 246	224 390
B	MP324	Nkomazi	725 681	782 264	843 958
B	MP325	Bushbuckridge	979 294	1 046 647	1 119 555
B	MP326	City of Mbombela	948 458	1 033 679	1 127 308
C	DC32	Ehlanzeni District Municipality	284 129	294 616	305 881
Total: Ehlanzeni Municipalities			3 125 496	3 362 452	3 621 092
Total: Mpumalanga Municipalities			7 483 637	8 055 928	8 683 079

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	
			2022/23	Forward Estimates	
			R'000	R'000	R'000
NORTHERN CAPE					
B	NC061	Richtersveld	23 414	25 089	26 935
B	NC062	Nama Khoi	58 610	62 630	66 995
B	NC064	Kamiesberg	30 608	32 295	34 130
B	NC065	Hantam	31 566	33 529	35 660
B	NC066	Karoo Hoogland	30 429	32 611	35 007
B	NC067	Khâi-Ma	25 674	27 373	29 235
C	DC6	Namakwa District Municipality	55 849	57 441	59 151
Total: Namakwa Municipalities			256 150	270 968	287 113
B	NC071	Ubuntu	46 240	49 370	52 782
B	NC072	Umsobomvu	64 182	69 115	74 518
B	NC073	Emthanjeni	55 218	59 027	63 167
B	NC074	Kareeberg	33 449	35 668	38 099
B	NC075	Renosterberg	31 992	34 056	36 311
B	NC076	Thembelihle	33 949	36 032	38 303
B	NC077	Siyathemba	42 278	45 249	48 493
B	NC078	Siyancuma	58 828	61 978	65 330
C	DC7	Pixley Ka Seme District Municipality	59 758	61 982	64 400
Total: Pixley Ka Seme Municipalities			425 894	452 477	481 403
B	NC082	!Kai !Garib	108 332	117 494	127 534
B	NC084	!Kheis	33 197	34 924	36 797
B	NC085	Tsantsabane	50 271	54 625	59 424
B	NC086	Kgatelopele	30 490	32 934	35 629
B	NC087	Dawid Kruiper	106 741	114 912	123 826
C	DC8	Z.F. Mgcawu District Municipality	78 618	81 163	83 906
Total: Z.F. Mgcawu Municipalities			407 649	436 052	467 116
B	NC091	Sol Plaatjie	239 158	258 166	278 751
B	NC092	Dikgatlong	108 029	115 681	123 996
B	NC093	Magareng	57 991	61 400	65 085
B	NC094	Phokwane	126 099	133 513	141 487
C	DC9	Frances Baard District Municipality	132 171	135 523	139 023
Total: Frances Baard Municipalities			663 448	704 283	748 342
B	NC451	Joe Morolong	170 407	180 000	190 277
B	NC452	Ga-Segonyana	210 902	229 604	250 224
B	NC453	Gamagara	53 715	60 588	68 418
C	DC45	John Taolo Gaetsewe District Municipality	102 257	105 917	109 899
Total: John Taolo Gaetsewe Municipalities			537 281	576 109	618 818
Total: Northern Cape Municipalities			2 290 422	2 439 889	2 602 792

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	
				2022/23	Forward Estimates	
			2023/24	2024/25		
		R'000	R'000	R'000		
NORTH WEST						
B	NW371	Moretele	415 351	441 379	469 519	
B	NW372	Madibeng	941 456	1 037 558	1 144 194	
B	NW373	Rustenburg	941 352	1 050 064	1 171 812	
B	NW374	Kgetlengrivier	117 740	128 323	140 000	
B	NW375	Moses Kotane	528 602	563 247	600 772	
C	DC37	Bojanala Platinum District Municipality	381 952	395 846	410 921	
Total: Bojanala Platinum Municipalities			3 326 453	3 616 417	3 937 218	
B	NW381	Ratlou	150 626	159 416	169 085	
B	NW382	Tswaing	140 780	149 989	160 171	
B	NW383	Mafikeng	327 788	352 887	380 697	
B	NW384	Ditsobotla	159 232	171 105	184 258	
B	NW385	Ramotshere Moiloa	215 223	229 949	246 232	
C	DC38	Ngaka Modiri Molema District Municipality	974 124	1 050 306	1 131 892	
Total: Ngaka Modiri Molema Municipalities			1 967 773	2 113 652	2 272 335	
B	NW392	Naledi	63 233	67 496	72 233	
B	NW393	Mamusa	66 849	71 251	76 127	
B	NW394	Greater Taung	231 374	243 432	256 672	
B	NW396	Lekwa-Teemane	60 204	64 394	69 047	
B	NW397	Kagisano-Molopo	144 818	152 490	160 915	
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	448 060	478 601	511 048	
Total: Dr Ruth Segomotsi Mompati Municipalities			1 014 538	1 077 664	1 146 042	
B	NW403	City of Matlosana	545 300	588 793	636 078	
B	NW404	Maquassi Hills	159 404	170 622	182 817	
B	NW405	JB Marks	343 436	377 012	414 080	
C	DC40	Dr Kenneth Kaunda District Municipality	206 714	212 491	218 574	
Total: Dr Kenneth Kaunda Municipalities			1 254 854	1 348 918	1 451 549	
Total: North West Municipalities			7 563 618	8 156 651	8 807 144	

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	
			2022/23	Forward Estimates	
2023/24	2024/25				
			R'000	R'000	R'000
WESTERN CAPE					
A	CPT	City of Cape Town	3 656 394	3 983 337	4 341 849
B	WC011	Matzikama	69 892	74 958	80 473
B	WC012	Cederberg	61 451	66 062	71 096
B	WC013	Bergrivier	57 506	62 388	67 754
B	WC014	Saldanha Bay	115 943	126 971	139 203
B	WC015	Swartland	126 228	140 297	156 017
C	DC1	West Coast District Municipality	103 374	106 615	110 061
Total: West Coast Municipalities			534 394	577 291	624 604
B	WC022	Witzenberg	121 668	132 945	145 345
B	WC023	Drakenstein	194 355	211 292	229 829
B	WC024	Stellenbosch	179 634	196 720	215 547
B	WC025	Breede Valley	147 822	159 120	171 374
B	WC026	Langeberg	97 528	104 474	112 031
C	DC2	Cape Winelands District Municipality	251 295	256 921	262 730
Total: Cape Winelands Municipalities			992 302	1 061 472	1 136 856
B	WC031	Theewaterskloof	120 101	129 283	139 255
B	WC032	Overstrand	141 896	155 547	170 708
B	WC033	Cape Agulhas	37 037	39 750	42 717
B	WC034	Swellendam	39 675	42 788	46 206
C	DC3	Overberg District Municipality	81 486	84 267	87 234
Total: Overberg Municipalities			420 195	451 635	486 120
B	WC041	Kannaland	33 259	35 040	36 934
B	WC042	Hessequa	54 287	58 185	62 442
B	WC043	Mossel Bay	119 020	128 669	139 262
B	WC044	George	193 460	210 287	228 699
B	WC045	Oudtshoorn	89 431	95 294	101 666
B	WC047	Bitou	129 019	143 106	158 928
B	WC048	Knysna	111 170	120 722	131 247
C	DC4	Garden Route District Municipality	172 721	177 411	182 329
Total: Garden Route Municipalities			902 367	968 714	1 041 507
B	WC051	Laingsburg	20 139	21 423	22 856
B	WC052	Prince Albert	26 548	28 467	30 575
B	WC053	Beaufort West	77 265	82 700	88 606
C	DC5	Central Karoo District Municipality	36 456	37 890	39 485
Total: Central Karoo Municipalities			160 408	170 480	181 522
Total: Western Cape Municipalities			6 666 060	7 212 929	7 812 458
National Total			87 311 493	94 086 549	101 486 470

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	
					2022/23	2023/24	Forward Estimates
					R'000	R'000	R'000
Basic Education (Vote 16)	Education Infrastructure Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation; to 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	1 741 459	1 705 711	1 782 388
				Free State	958 021	889 595	929 585
				Gauteng	1 686 845	1 651 947	1 726 207
				KwaZulu-Natal	2 387 952	2 555 766	2 330 249
				Limpopo	1 315 811	1 371 984	1 433 659
				Mpumalanga	1 134 360	1 184 469	1 237 714
				Northern Cape	686 935	607 576	634 887
				North West	1 236 625	1 179 049	1 232 051
				Western Cape	1 180 389	1 180 389	1 233 451
				Unallocated	-	767 709	801 665
	TOTAL				12 384 085	13 094 195	13 341 856
Health (Vote 18)	National Tertiary Services Grant	Ensure the provision of tertiary health services in South Africa; to compensate tertiary facilities for the additional costs associated with the provision of these services.	General conditional allocation to provinces	Eastern Cape	1 148 953	1 098 416	1 147 745
				Free State	1 225 196	1 199 170	1 253 024
				Gauteng	5 083 886	4 988 103	5 212 116
				KwaZulu-Natal	2 045 854	2 000 300	2 090 132
				Limpopo	481 051	452 963	473 305
				Mpumalanga	145 385	139 095	145 341
				Northern Cape	420 514	408 681	427 035
				North West	354 163	332 476	347 407
				Western Cape	3 401 057	3 332 007	3 481 646
				Unallocated	-	72 735	76 003
	TOTAL				14 306 059	14 023 946	14 653 754
Transport (Vote 40)	(a) Provincial Roads Maintenance Grant	To supplement provincial investments for road infrastructure maintenance (routine, periodic and special maintenance); to ensure that all roads are classified as per the Road Infrastructure Strategic Framework for South Africa and the technical recommendations for highways, and the Road Classification and Access Management guidelines; to implement and maintain road asset management systems; to supplement provincial projects for the repair of roads and bridges damaged by unforeseen incidents including natural disasters; to improve road safety with a special focus on pedestrian safety in rural areas.	General conditional allocation to provinces	Eastern Cape	1 429 653	1 500 409	1 576 947
				Free State	1 337 642	1 403 845	1 475 457
				Gauteng	680 058	713 716	750 123
				KwaZulu-Natal	2 720 678	2 634 584	2 460 472
				Limpopo	1 199 876	1 259 261	1 323 498
				Mpumalanga	905 915	950 750	999 250
				Northern Cape	1 064 972	1 117 680	1 174 694
				North West	957 028	1 004 393	1 055 628
				Western Cape	960 309	1 007 837	1 059 248
				Unallocated	-	1 737 845	1 737 845
	TOTAL				11 256 131	13 330 320	13 613 162
Transport (Vote 40)	(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	282 593	295 048	308 298
				Free State	312 430	326 199	340 849
				Gauteng	2 730 550	2 850 898	2 978 930
				KwaZulu-Natal	1 309 303	1 367 009	1 428 401
				Limpopo	422 338	440 951	460 754
				Mpumalanga	711 126	742 468	775 812
				Northern Cape	63 581	66 383	69 364
				North West	130 698	136 459	142 587
				Western Cape	1 127 813	1 177 519	1 230 401
					TOTAL		

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	
				2022/23	2023/24	Forward Estimates	2024/25
Human Settlements (Vote 33)	Urban Settlements Development Grant	To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development.	Buffalo City	R'000	R'000	R'000	R'000
			City of Cape Town	496 166	518 034	541 299	541 299
			City of Ekurhuleni	965 544	1 008 100	1 053 373	1 053 373
			City of Johannesburg	1 282 202	1 338 713	1 398 834	1 398 834
			City of Tshwane	1 204 509	1 257 596	1 314 074	1 314 074
			eThekweni	1 044 111	1 090 129	1 139 086	1 139 086
			Mangaung	1 279 036	1 335 408	1 395 380	1 395 380
			Nelson Mandela Bay	491 760	513 434	536 492	536 492
				588 945	614 902	642 517	642 517
			TOTAL			7 352 273	7 676 316

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B				
					2022/23		Forward Estimates				
					R'000		R'000				
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	251 233	255 336	266 803				
				Free State	190 377	193 483	202 174				
				Gauteng	103 748	103 014	107 641				
				KwaZulu-Natal	218 604	222 174	232 152				
				Limpopo	237 816	241 700	252 555				
				Mpumalanga	165 033	167 730	175 262				
				Northern Cape	125 194	124 811	130 415				
				North West	185 122	188 148	196 597				
				Western Cape	122 087	121 653	127 116				
				TOTAL	1 599 214	1 618 049	1 690 715				
					(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	76 210	77 483	80 963
								Free State	73 178	74 402	77 743
								Gauteng	37 262	37 885	39 587
								KwaZulu-Natal	75 424	76 685	80 130
								Limpopo	75 333	76 592	80 031
Mpumalanga	70 499	71 678	74 897								
Northern Cape	70 498	71 675	74 893								
North West	72 881	74 099	77 427								
Western Cape	58 993	59 979	62 672								
TOTAL	610 278	620 478	648 343								
	(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	12 700	12 935	13 470
								Free State	8 516	8 616	9 333
								Gauteng	5 219	5 360	5 501
								KwaZulu-Natal	13 110	13 310	14 127
								Limpopo	13 303	13 480	13 674
				Mpumalanga	9 762	9 830	9 898				
				Northern Cape	7 825	8 016	8 207				
				North West	8 953	9 101	9 449				
				Western Cape	5 532	5 680	6 546				
				TOTAL	84 920	86 328	90 205				

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2022/23		Forward Estimates	
					R'000	2023/24	R'000	2024/25
Basic Education (Vote 16)	(a) Early Childhood Development Grant	To increase the number of poor children accessing subsidised early childhood development services through centre and non-centre based programmes; to support early childhood development providers delivering an early childhood development programme to meet basic health and safety requirements for registration; to pilot the construction of new, low-cost early childhood development centres.	General conditional allocation to provinces	Eastern Cape	199 668	199 728	208 697	
				Free State	65 282	58 973	58 973	
				Gauteng	232 715	238 615	249 330	
				KwaZulu-Natal	187 203	182 053	190 228	
				Limpopo	184 858	178 275	186 282	
				Mpumalanga	99 860	91 322	95 424	
				Northern Cape	23 126	20 007	20 906	
				North West	104 104	106 484	111 266	
				Western Cape	95 866	87 958	91 908	
				Unallocated	-	81 607	85 272	
	TOTAL	1 192 682	1 242 487	1 298 286				
	(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 and educators; to reduce the vulnerability of children to HIV, TB and sexually transmitted infections, with a particular focus on orphaned children and girls.	Conditional allocation	Eastern Cape	44 528	45 077	47 060	
				Free State	11 172	10 700	11 172	
				Gauteng	37 311	36 385	37 986	
				KwaZulu-Natal	61 183	62 910	65 678	
				Limpopo	26 875	27 036	28 226	
				Mpumalanga	19 530	18 586	19 404	
				Northern Cape	6 901	7 234	7 625	
				North West	16 953	15 654	16 416	
				Western Cape	17 822	18 071	18 939	
	TOTAL			TOTAL	242 275	241 653	252 506	
	(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	28 333	29 070	30 232	
				Free State	27 125	29 334	31 705	
				Gauteng	35 150	35 425	36 728	
				KwaZulu-Natal	34 423	34 534	35 524	
				Limpopo	34 451	34 228	35 023	
				Mpumalanga	31 523	31 354	31 960	
				Northern Cape	14 068	15 151	16 528	
				North West	16 997	20 259	21 438	
				Western Cape	33 451	31 069	32 982	
	TOTAL			TOTAL	255 521	260 424	272 120	
	(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	53 950	53 793	56 238	
				Free State	39 334	48 285	50 454	
				Gauteng	60 901	60 778	63 572	
				KwaZulu-Natal	70 244	70 193	73 457	
				Limpopo	49 721	49 592	51 828	
				Mpumalanga	43 833	43 784	45 729	
				Northern Cape	27 951	27 902	29 052	
				North West	41 675	41 617	43 452	
				Western Cape	37 184	37 135	38 746	
	TOTAL			TOTAL	424 793	433 079	452 528	
	(e) National School Nutrition Programme Grant	To provide nutritious meals to targeted schools.	Conditional allocation	Eastern Cape	1 494 648	1 551 943	1 621 640	
				Free State	488 785	503 449	508 225	
				Gauteng	993 367	1 030 565	1 076 847	
				KwaZulu-Natal	1 952 777	1 967 842	2 056 217	
				Limpopo	1 529 904	1 568 178	1 638 605	
				Mpumalanga	806 054	834 685	872 170	
				Northern Cape	225 894	229 671	239 985	
				North West	565 603	584 855	611 120	
				Western Cape	451 289	467 538	488 535	
				Unallocated	-	140 216	164 346	
	TOTAL			TOTAL	8 508 321	8 878 942	9 277 690	

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					Forward Estimates		Forward Estimates	
					2022/23	2023/24	2023/24	2024/25
Health (Vote 18)	(a) District Health Programmes Grant	To enable the health sector to develop and implement an effective response to HIV and AIDS; to enable the health sector to develop and implement an effective response to 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 2019 – 2023; to enable the health sector to prevent cervical cancer by making available Human Papillomavirus vaccinations for grade seven school girls in all public and special schools and progressive integration of Human Papillomavirus into the integrated school health programme; to enable the health sector to rollout COVID-19 vaccine.	Conditional allocation	Eastern Cape	R'000	R'000	R'000	
				Free State	3 221 279	2 963 416	3 096 501	
				Gauteng	1 724 306	1 611 598	1 683 974	
				KwaZulu-Natal	6 295 969	5 793 999	6 054 204	
				Limpopo	7 547 069	7 087 769	7 406 077	
				Mpumalanga	2 621 492	2 388 635	2 495 907	
				Northern Cape	2 638 302	2 469 999	2 580 926	
				North West	767 729	716 737	748 927	
				Western Cape	1 938 678	1 784 563	1 864 707	
				Western Cape	2 268 294	2 049 145	2 141 171	
	TOTAL			29 023 118	26 865 861	28 072 394		
	(b) Health Facility Revitalisation Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organisational development systems and quality assurance; to enhance capacity to deliver health infrastructure; to accelerate the fulfilment of the requirements of occupational health and safety.	Conditional allocation	Eastern Cape	730 829	695 296	716 990	
				Free State	642 446	602 597	621 399	
				Gauteng	1 058 859	1 038 555	1 070 959	
				KwaZulu-Natal	1 389 913	1 383 930	1 427 110	
				Limpopo	600 166	552 983	570 237	
				Mpumalanga	463 310	415 255	428 211	
				Northern Cape	444 942	465 311	479 829	
				North West	652 491	613 468	632 609	
				Western Cape	796 590	805 103	830 223	
				Unallocated	-	547 362	583 614	
	TOTAL			6 779 546	7 119 860	7 361 181		
	(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	578 756	567 733	556 604	
				Free State	264 004	284 312	276 594	
				Gauteng	1 872 229	1 879 548	1 825 127	
				KwaZulu-Natal	754 850	764 447	747 841	
				Limpopo	372 699	375 318	353 623	
				Mpumalanga	274 266	276 739	267 298	
				Northern Cape	155 608	145 748	145 443	
				North West	277 212	271 800	262 601	
				Western Cape	899 442	887 123	903 926	
				Unallocated	-	26 255	27 460	
	TOTAL			5 449 066	5 479 023	5 366 517		
	(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	128 484	88 444	91 392	
				Free State	28 404	28 062	28 880	
				Gauteng	90 399	89 393	91 222	
				KwaZulu-Natal	84 726	83 762	85 718	
				Limpopo	83 490	68 900	71 039	
				Mpumalanga	69 428	38 980	39 998	
				Northern Cape	84 530	47 143	49 071	
				North West	80 681	60 366	62 437	
				Western Cape	43 605	43 272	44 264	
				Unallocated	-	146 353	152 924	
	TOTAL			693 747	694 675	716 945		

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2022/23	R'000	2023/24	R'000
Human Settlements (Vote 33)	(a) Human Settlements Development Grant	To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements.	Conditional allocation	Eastern Cape	1 542 022	1 608 515	1 680 752	1 680 752
				Free State	813 041	848 099	886 187	886 187
				Gauteng	3 955 283	4 125 835	4 311 126	4 311 126
				KwaZulu-Natal	2 935 224	3 132 253	2 776 615	2 776 615
				Limpopo	906 953	946 060	988 547	988 547
				Mpumalanga	924 416	964 277	1 007 582	1 007 582
				Northern Cape	273 541	285 336	298 150	298 150
				North West	1 276 712	1 331 763	1 391 572	1 391 572
				Western Cape	1 628 418	1 701 511	1 777 924	1 777 924
				TOTAL	14 255 610	14 943 649	15 118 455	15 118 455
Public Works and Infrastructure (Vote 13)	(a) Expanded Public Works Programme Integrated Grant for Provinces	To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements.	Conditional allocation	Eastern Cape	458 151	478 343	499 825	499 825
				Free State	241 563	252 209	263 536	263 536
				Gauteng	1 175 155	1 226 949	1 282 051	1 282 051
				KwaZulu-Natal	756 868	790 226	825 715	825 715
				Limpopo	269 465	281 341	293 976	293 976
				Mpumalanga	274 653	286 758	299 637	299 637
				Northern Cape	81 272	84 855	88 664	88 664
				North West	379 324	396 042	413 828	413 828
				Western Cape	484 638	505 998	528 722	528 722
				TOTAL	4 121 089	4 302 721	4 495 954	4 495 954
Public Works and Infrastructure (Vote 13)	(b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme guidelines: road maintenance and the maintenance of buildings; low traffic volume roads and rural roads; other economic and social infrastructure; tourism and cultural industries; sustainable land based livelihoods; waste management.	Conditional allocation	Eastern Cape	106 459	-	-	-
				Free State	20 943	-	-	-
				Gauteng	40 105	-	-	-
				KwaZulu-Natal	111 866	-	-	-
				Limpopo	37 280	-	-	-
				Mpumalanga	25 491	-	-	-
				Northern Cape	16 421	-	-	-
				North West	44 394	-	-	-
				Western Cape	30 139	-	-	-
				Unallocated	-	434 762	454 287	454 287
TOTAL	433 098	434 762	454 287	454 287				
Public Works and Infrastructure (Vote 13)	(b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces	To incentivise provincial social sector departments, identified in the 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	68 450	-	-	-
				Free State	40 057	-	-	-
				Gauteng	52 249	-	-	-
				KwaZulu-Natal	99 799	-	-	-
				Limpopo	60 066	-	-	-
				Mpumalanga	25 570	-	-	-
				Northern Cape	16 142	-	-	-
				North West	26 770	-	-	-
				Western Cape	35 745	-	-	-
				Unallocated	-	426 480	445 633	445 633
TOTAL	424 848	426 480	445 633	445 633				

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B				
					2022/23	2023/24	2024/25	Forward Estimates			
Sport, Arts and Culture (Vote 37)	(a) Community Library Services Grant	To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives.	Conditional allocation	Eastern Cape	R'000	R'000	R'000	R'000			
				Free State	181 169	178 089	185 927	185 927			
				Gauteng	183 761	178 472	186 312	186 312			
				KwaZulu-Natal	174 099	176 522	184 360	184 360			
				Limpopo	186 891	189 050	196 888	196 888			
				Mpumalanga	152 619	153 597	161 435	161 435			
				Northern Cape	169 288	170 726	178 564	178 564			
				North West	181 447	178 562	186 400	186 400			
				Western Cape	153 174	152 451	160 289	160 289			
					190 102	193 331	201 169	201 169			
				TOTAL	1 572 550	1 570 800	1 641 344	1 641 344			
				(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				
							Free State	70 879	70 033	73 478	73 478
							Gauteng	41 695	41 668	43 160	43 160
KwaZulu-Natal	102 073	103 489	109 375				109 375				
Limpopo	97 278	96 974	102 480				102 480				
Mpumalanga	64 978	64 517	67 582				67 582				
Northern Cape	52 236	52 305	54 529				54 529				
North West	35 717	35 637	36 369				36 369				
Western Cape	47 434	47 971	49 897				49 897				
	91 221	91 366	94 214				94 214				
TOTAL	603 511	603 960	631 084				631 084				

SCHEDULE 5, PART B

SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A	Column B	
			2022/23 R'000	Forward Estimates 2023/24 R'000	2024/25 R'000
RECURRENT GRANTS					
Cooperative Governance (Vote 3)	Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation.	-	-	-
National Treasury (Vote 8)	(a) 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.	159 246	159 857	167 036
	(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.	566 395	568 571	594 105
	(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.	360 886	376 792	393 714
Public Works and Infrastructure (Vote 13)	Expanded Public Works Programme Integrated Grant for Municipalities	To incentivise municipalities to expand work creation efforts through the use of labour-intensive delivery methods in the following identified focus areas, in compliance with the expanded public works programme guidelines: road maintenance and the maintenance of buildings; low traffic volume roads and rural roads; basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure), other economic and social infrastructure; tourism and cultural industries; waste management; parks and beautification; sustainable land-based livelihoods; social services programmes; community safety programmes.	778 395	781 385	816 477
TOTAL			1 864 922	1 886 605	1 971 332

SCHEDULE 5, PART B
SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A	Column B	
			2022/23	Forward Estimates 2023/24	2024/25
			R'000	R'000	R'000
INFRASTRUCTURE GRANTS					
Cooperative Governance (Vote 3)	(a) Integrated Urban Development Grant	To provide funding for public investment in infrastructure for the poor and to promote increased access to municipal own sources of capital finance in order to increase funding for public investment in economic infrastructure; to ensure that public investments are spatially aligned and to promote the sound management of the assets delivered.	1 085 368	1 122 764	1 173 187
	(b) Municipal Disaster Recovery Grant	To rehabilitate and reconstruct municipal infrastructure damaged by a disaster.	26 023	320 915	-
	(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.	16 842 001	17 594 733	18 384 903
Human Settlements (Vote 33)	Informal Settlements Upgrading Partnership Grant: Municipalities	To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to upgrading informal settlements.	4 180 530	4 364 782	4 560 802
Mineral Resources and Energy (Vote 34)	(a) Energy Efficiency and Demand-Side Management Grant	To provide subsidies to municipalities to implement energy efficiency and demand-side management initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.	223 204	224 092	242 515
	(b) Integrated National Electrification Programme (Municipal) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog of all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure.	2 118 668	2 212 046	2 311 388
National Treasury (Vote 8)	Neighbourhood Development Partnership Grant (Capital)	To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, townships and rural towns.	1 393 074	1 474 813	647 022
Transport (Vote 40)	(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 and to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services.	6 012 892	6 689 045	7 720 162
	(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.	115 020	115 461	120 646
Water and Sanitation (Vote 41)	(a) Regional Bulk Infrastructure Grant	To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance that connects water resources to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality; to implement bulk infrastructure with a potential of addressing water conservation and water demand management projects or facilitate and contribute to the implementation of local water conservation and water demand management projects that will directly impact on bulk infrastructure requirements.	2 521 420	2 892 132	2 762 863
	(b) Water Services Infrastructure Grant	Facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities; provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development; support municipalities in implementing water conservation and water demand management projects; support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas; support drought relief projects in affected municipalities.	3 701 019	3 864 137	4 037 673
TOTAL			38 219 219	40 874 920	41 961 161

SCHEDULE 6, PART A

ALLOCATIONS-IN-KIND TO PROVINCES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A	Column B	
			2022/23 R'000	Forward Estimates 2023/24 R'000	2024/25 R'000
Basic Education (Vote 16)	School Infrastructure Backlogs Grant	Eradication of all inappropriate school infrastructure; provision of water, sanitation and electricity to schools.	2 403 119	2 078 506	2 171 849
Health (Vote 18)	National Health Insurance Indirect Grant	To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for the National Health Insurance; to enhance capacity and capability to deliver infrastructure for the National Health Insurance; to accelerate the fulfilment of the requirements of occupational health and safety; expand the alternative models for the dispensing and distribution of chronic medication; develop and roll-out new health information systems in preparation for the National Health Insurance; enable the health sector to address the deficiencies in the primary health care facilities systematically to yield fast results through the implementation of the Ideal Clinic programme; to expand the healthcare service benefits through the strategic purchasing of services from healthcare providers.	2 209 108	2 471 275	1 842 903
TOTAL			4 612 227	4 549 781	4 014 752

SCHEDULE 6, PART B

ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A	Column B	
			2022/23 R'000	Forward Estimates 2023/24 R'000	2024/25 R'000
Cooperative Governance (Vote 3)	(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.	-	-	-
	(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.	140 331	146 516	153 096
Mineral Resources and Energy (Vote 34)	Integrated National Electrification Programme (Eskom) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to Eskom to address the electrification backlog of all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure in Eskom licenced areas.	3 588 162	3 821 156	3 992 762
National Treasury (Vote 8)	Neighbourhood Development Partnership Grant (Technical Assistance)	To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, generally townships and rural towns.	100 526	100 902	105 433
Water and Sanitation (Vote 41)	(a) Regional Bulk Infrastructure Grant	To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance that connects water resources to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality; to implement bulk infrastructure with a potential of addressing water conservation and water demand management projects or facilitate and contribute to the implementation of local water conservation and water demand management projects that will directly impact on bulk infrastructure requirements.	3 455 050	3 607 327	3 769 330
	(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.	771 336	805 332	841 499
TOTAL			8 055 405	8 481 233	8 862 120

SCHEDULE 7, PART A

UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2022/23	Forward Estimates	Forward Estimates
			R'000	2023/24	2024/25
Cooperative Governance (Vote 3)	Provincial Disaster Response Grant	To provide for the immediate release of funds for disaster response subject to compliance with section 2(1)(b) of the Disaster Management Act.	145 328	145 843	152 393
Human Settlements (Vote 33)	Provincial Emergency Housing Grant	To provide funding to provinces for provision of temporary shelter assistance to households affected by disasters or a housing emergency; to provide funding to provinces to repair the damage to housing for low-income households following a disaster or housing emergency if the costs of repairs are less than the cost of relocation and provision of temporary shelter.	325 764	340 122	355 397
TOTAL			471 092	485 965	507 790

SCHEDULE 7, PART B

UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2022/23	Forward Estimates	Forward Estimates
			R'000	2023/24	2024/25
Cooperative Governance (Vote 3)	Municipal Disaster Response Grant	To provide for the immediate release of funds for disaster response subject to compliance with section 2(1)(b) of the Disaster Management Act.	371 420	372 732	389 471
Human Settlements (Vote 33)	Municipal Emergency Housing Grant	To provide funding to municipalities for provision of temporary shelter assistance to households affected by disasters or a housing emergency; to provide funding to municipalities to repair the damage to housing for low-income households following a disaster or housing emergency if the costs of repairs are less than the cost of relocation and provision of temporary shelter.	175 412	183 143	191 368
TOTAL			546 832	555 875	580 839

MEMORANDUM ON THE OBJECTS OF THE DIVISION OF REVENUE BILL, 2022

1. BACKGROUND

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

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

2. SUMMARY OF BILL

The following is a brief summary of the Bill:

- *Clause 1* contains definitions;
- *Clause 2* sets out the objects of the Bill, which are to provide for the equitable division of revenue raised nationally among the three spheres of government and to promote predictability and certainty in respect of allocations to provinces and municipalities as well as transparency and accountability in the resource allocation process;
- *Clause 3* provides for the equitable division of anticipated revenue raised nationally among the national, provincial and local spheres of government, which is set out in Schedule 1;
- *Clause 4* provides for each province's equitable share, which is set out in Schedule 2, and that it must be transferred in terms of a payment schedule;
- *Clause 5* provides for each municipality's equitable share of revenue, which is set out in Schedule 3 and that it must be transferred on dates specified in clause 5 in amounts as determined in terms of clause 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 2022/23 financial year;
- *Clause 15* requires the publication of certain allocations and all conditional grant frameworks in the *Government Gazette*;
- *Clause 16* requires that spending must only be in accordance with the purpose and subject to the conditions set out in the grant frameworks for Schedules 4 to 7 allocations, and sets out funding related arrangements if a function partially or fully funded by a conditional grant is assigned by a province to a municipality;
- *Clauses 17 and 18* provide for the withholding and stopping of allocations;

- *Clause 19* provides for the reallocation of funds;
- *Clause 20* provides for the possible conversion of certain allocations in order to prevent under-spending on the allocation, if the affected national or provincial department has demonstrated the capacity to implement projects;
- *Clause 21* provides for the management of unspent conditional allocations;
- *Clauses 22 and 23* provide for payment schedules and their amendment;
- *Clause 24* provides for the recovery of any allocation transferred in error or fraudulently;
- *Clause 25* provides for new allocations during a financial year and the use of funds allocated in Schedule 7;
- *Clause 26* provides for preparations for the 2023/24 and 2024/25 financial years;
- *Clause 27* deals with transfers before the commencement of the Division of Revenue Act for the 2023/24 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, the power of the Minister of Finance to make regulations;
- *Clause 37* provides for the repeal of laws;
- *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. Therefore, a Bill must be correctly classified otherwise it will be constitutionally out of order.

- 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, the constitutional court case of *Tongoane and Others v Minister for Agriculture and Land Affairs and Others CCT 100/09 [2010] ZACC 10*, confirmed the “substantial measure” test indicated in *Ex Parte President of the Republic of South Africa: In re Constitutionality of the Liquor Bill*. The test entailed that “any Bill whose provisions in substantial measure” fall within a specific Schedule must be classified in terms of that Schedule.
- 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(1) 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 pertaining to customary law or the customs of traditional communities.

DIVISION OF REVENUE ATTACHMENTS

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W1

Explanatory memorandum to the division of revenue

■ Background

Section 214(1) of the Constitution requires that 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 2022 Division of Revenue Bill fulfils the requirement set out in section 10(5) of the Intergovernmental Fiscal Relations Act. This Act requires that the bill is 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 formulae 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 2022 division of revenue.
- Part 3 sets out how the FFC's recommendations on the 2022 division of revenue have been taken into account.
- Part 4 explains the formula and criteria for dividing the provincial equitable share and conditional grants among provinces.
- Part 5 sets out the formula and criteria for dividing the local government equitable share and conditional grants among municipalities.
- Part 6 summarises issues that will form part of subsequent reviews of provincial and local government fiscal frameworks.

The Division of Revenue Bill and its underlying allocations are the result of extensive consultation between national, provincial and local government. The Budget Council deliberated on the matters discussed in this memorandum at several meetings during the year. The approach to local government allocations was discussed with organised local government at technical meetings with the South African Local Government Association (SALGA), culminating in meetings of the Budget Forum (made up of the Budget Council and

SALGA). The division of revenue, along with the government priorities that underpin it, was agreed for the next three years at a Cabinet meeting in October 2021.

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 2022 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 2021 *Medium Term Budget Policy Statement* (MTBPS), the Minister of Finance outlined how the resources available to government over the 2022 medium-term expenditure framework (MTEF) would be allocated to help achieve government’s priorities, as outlined in the 2021 State of the Nation Address (SONA). These priorities are as follows:

- Defeat the COVID-19 pandemic.
- Accelerate economic recovery through implementing the economic recovery plan.
- Implement economic reforms to create sustainable jobs and drive inclusive growth.
- Fight corruption and strengthen the state’s capability.

These priorities have informed the division of resources between the three spheres of government over the 2022 MTEF period. Chapter 4 of the 2021 MTBPS and Chapters 5 and 6 of the 2022 *Budget Review* discuss how funds have been allocated across the three spheres of government based on these priorities. The framework for each conditional grant also notes how the grant is linked to the 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 R4.35 trillion (69.5 per cent of GDP) in 2021/22 to R4.69 trillion (72.8 per cent of GDP) in 2022/23 and will peak at R5.43 trillion (75.1 per cent of GDP) in 2024/25. 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 2022 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 agriculture. For these functions, national government is mainly responsible for providing leadership, policy formulation, including setting norms and standards, and oversight and monitoring, while the 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 services.

Over the 2022 MTEF period, R2.56 trillion or 52 per cent of non-interest spending is allocated to provinces and local government. Of this, R2.05 trillion or 41.7 per cent is allocated to the provincial sphere, while R506.7 billion or 10.3 per cent is allocated to the local sphere of government. This is to continue funding the local and provincial government priorities over the 2022 MTEF period, 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. National government has limited revenue-raising powers and large spending responsibilities. As such, it receives the biggest share of the nationally raised revenue, after taking into account the contingency reserve and debt servicing costs. Provinces have limited revenue-raising capacity and large spending responsibilities so receive the second-largest share of nationally raised revenue. Municipalities, on the other hand, have extensive revenue-raising powers, through property rates, user charges and fees. The revenue raised by municipalities provides for basic services such as sanitation, waste management, electricity and water, the costs of which can be recovered through tariffs. As a result, local government finances most of its expenditure through property rates, user charges and fees.

The ability of individual municipalities to raise revenue varies greatly – rural municipalities raise significantly less revenue than large urban and metropolitan municipalities. The design of the local government fiscal framework acknowledges that, as a result of their lower own revenue-raising capacity, many rural municipalities will depend on transfers for most of their funding. This is done through the local government equitable share formula, which incorporates a revenue adjustment factor that considers the fiscal capacity of each recipient municipality (full details of the formula are provided in part 5 of this annexure).

The mechanisms for allocating funds to provinces and municipalities are regularly reviewed to improve their efficiency. For the 2022 MTEF, changes will be made to the health component of the provincial equitable share, informed by the recent review of the formula that was undertaken by the National Treasury in collaboration with Department of Health and the Government Technical Advisory Centre. These changes will be phased in over three years to allow provinces to adjust to the impact of the changes on their allocation (full details of the review and outcome are provided in Part 4 of this annexure). To maximise the effect of allocations, conditional grant allocations to provincial and local government are informed by the recipient's efficacy and efficiency in using allocations in the past.

Developmental needs

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

Economic disparities

The equitable share and infrastructure grant formulas redistribute funds towards poorer provinces and municipalities (parts 4 and 5 of this annexure provide statistics illustrating this). Through the division of revenue, government continues to invest in economic infrastructure (such as roads), allocating R630.2 billion over the 2022 MTEF period, and social infrastructure (such as schools, hospitals and clinics), allocating R147.6 billion over the 2022 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.

The 2022 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, four conditional grants for disasters and housing emergencies (*provincial disaster response grant; provincial emergency housing grant; municipal disaster response grant, municipal emergency housing grant*) allow government to allocate and transfer funds to affected provinces and municipalities in the immediate aftermath of a disaster. Over the 2022 MTEF period, R3.1 billion is allocated to these grants. Furthermore, various 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 2022 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 2022 Budget proposes:

- Additional allocations to address immediate spending pressures, including extending the *special COVID-19 social relief of distress grant* for 12 months until March 2023, and bolstering provincial transfers for health and education.
- Setting aside a portion of higher-than-expected revenue to narrow the budget deficit. This mitigates the impact of higher interest rates on debt-service costs and improves the longer-term debt outlook.
- 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 2022 *Budget Review*).

However, the most important public spending programmes that help poor South Africans, contribute to growth and create jobs have been protected from major reductions. The 2022 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 R1.66 trillion in 2022/23, R1.60 trillion in 2023/24 and R1.67 trillion in 2024/25. The division of these funds between the three spheres takes into account government's spending priorities, each sphere's revenue-raising capacity and responsibilities, and input from various intergovernmental forums and the FFC. The provincial and local equitable share formulas are designed to ensure fair, stable and predictable revenue shares, and to address economic and fiscal disparities.

Increase in non-interest spending

Given the improved tax revenue estimates experienced in 2021/22, and projected increases in tax revenue over the 2022 MTEF period, government proposes a small increase in non-interest spending compared with the 2021 Budget projections. Total main budget non-interest expenditure is projected to increase by R282.3 billion over the 2022 MTEF period as follows: R110.6 billion in 2022/23, R84.6 billion in 2023/24 and R87.1 billion in 2024/25.

Following the 2021 MTBPS, further changes were made to the fiscal framework. The provincial equitable share has been increased by R53 billion over the medium term. Direct conditional grants to provinces have been increased by R5.4 billion. The local government direct transfers increase to R30.7 billion, comprising R28.9 billion from the local government equitable share and R1.8 billion in increases to direct conditional grants.

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.

Reprioritisations

Existing budgets need to be reprioritised to meet government's policy goals while remaining within the revised expenditure ceiling. Priorities over the 2022 MTEF period that are funded through reprioritisations in the division of revenue include addressing shortfalls in funding for appointing medical interns in the health sector.

These reprioritisations complement baselines that provide R2.04 trillion to provinces and R481.3 billion to local government in transfers over the 2022 MTEF period. These transfers fund core policy priorities, including basic education, health, social development, roads, housing and municipal services.

The fiscal framework

Table W1.1 presents the medium-term macroeconomic forecasts for the 2022 Budget. It sets out the growth assumptions and fiscal policy targets on which the fiscal framework is based.

Table W1.1 Medium-term macroeconomic assumptions

R billion/percentage of GDP	2021/22		2022/23		2023/24		2024/25
	2021 Budget	2022 Budget	2021 Budget	2022 Budget	2021 Budget	2022 Budget	2022 Budget
Gross domestic product	5 911.3	6 251.5	6 258.2	6 441.3	6 623.6	6 805.3	7 233.7
Real GDP growth	5.4%	6.0%	1.9%	1.9%	1.6%	1.7%	1.8%
GDP inflation	3.2%	5.9%	3.9%	1.1%	4.1%	3.9%	4.5%
National budget framework							
Revenue	1 351.7	1 549.1	1 453.7	1 588.0	1 522.0	1 660.2	1 774.2
Percentage of GDP	22.9%	24.8%	23.2%	24.7%	23.0%	24.4%	24.5%
Expenditure	1 834.3	1 896.0	1 870.8	1 975.3	1 911.0	1 992.0	2 096.6
Percentage of GDP	31.0%	30.3%	29.9%	30.7%	28.9%	29.3%	29.0%
Main budget balance¹	-482.6	-346.9	-417.2	-387.2	-389.0	-331.8	-322.4
Percentage of GDP	-8.2%	-5.5%	-6.7%	-6.0%	-5.9%	-4.9%	-4.5%

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

Source: National Treasury

Table W1.2 sets out the division of revenue for the 2022 MTEF period after accounting for new policy priorities.

Table W1.2 Division of nationally raised revenue

R million	2018/19	2019/20	2020/21	2021/22 Revised estimate	2022/23	2023/24	2024/25
	Outcome				Medium-term estimates		
Division of available funds							
National departments	634 314	749 775	790 495	831 142	824 712	770 910	805 662
<i>of which:</i>							
Indirect transfers to provinces	3 882	2 927	3 056	3 954	4 612	4 550	4 015
Indirect transfers to local government	6 337	5 565	4 100	4 903	8 055	8 481	8 862
Provinces	571 954	613 450	628 807	661 196	682 539	667 310	690 157
Equitable share	470 287	505 554	520 717	544 835	560 757	543 149	562 018
Conditional grants	101 667	107 896	108 090	116 361	121 782	124 161	128 138
Local government	118 488	122 986	137 098	135 310	150 630	160 514	170 147
Equitable share	60 758	65 627	83 102	75 724	87 311	94 087	101 486
Conditional grants	45 262	44 191	39 969	44 969	47 983	50 994	52 534
General fuel levy sharing with metros	12 469	13 167	14 027	14 617	15 335	15 433	16 127
Provisional allocation not assigned to votes ¹	–	–	–	–	5 569	28 295	32 078
Non-interest allocations	1 324 756	1 486 211	1 556 400	1 627 648	1 663 450	1 627 028	1 698 044
Percentage increase	6.6%	12.2%	4.7%	4.6%	2.2%	-2.2%	4.4%
Debt-service costs	181 849	204 769	232 596	268 306	301 806	334 979	363 515
Contingency reserve	–	–	–	–	10 000	5 000	5 000
Unallocated reserve	–	–	–	–	–	25 000	30 000
Main budget expenditure	1 506 605	1 690 980	1 788 996	1 895 954	1 975 257	1 992 007	2 096 559
Percentage increase	7.2%	12.2%	5.8%	6.0%	4.2%	0.8%	5.2%
Percentage shares							
National departments	47.9%	50.4%	50.8%	51.1%	49.7%	48.2%	48.4%
Provinces	43.2%	41.3%	40.4%	40.6%	41.2%	41.7%	41.4%
Local government	8.9%	8.3%	8.8%	8.3%	9.1%	10.0%	10.2%

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

Source: National Treasury

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

Table W1.3 Changes over baseline

R million	2022/23	2023/24
National departments	88 426	31 921
Provinces	39 195	20 486
Local government	4 532	12 091
Allocated expenditure	132 153	64 498

Source: National Treasury

Table W1.4 sets out schedule 1 of the Division of Revenue Bill, which reflects the legal division of revenue between national, provincial and local government. In this division, the national share includes all conditional grants to provinces and local government in line with section 214(1) of the Constitution, and the allocations for each sphere reflect equitable shares only.

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

R million	2022/23	2023/24	2024/25
	Allocation	Forward estimates	
National ¹	1 327 188	1 354 771	1 433 054
Provincial	560 757	543 149	562 018
Local	87 311	94 087	101 486
Total	1 975 257	1 992 007	2 096 559

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 2022 *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 2022/23* to Parliament in May 2021. The 2022/23 recommendations cover the following areas: countering the economic and fiscal impacts of the COVID-19 pandemic; measuring the effectiveness of government expenditure; impact of the COVID-19 pandemic on the local economy; addressing gender inequality through gender budgeting in the public sector; existing social grant system; food security during the COVID-19 pandemic; water and sanitation access, distribution efficiencies and tariff setting; role of intergovernmental oversight and support in avoiding a section 139 intervention; and improving the delivery of infrastructure projects through effective leadership.

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

recommendations when determining the division of revenue. This part of the explanatory memorandum complies with this requirement.

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

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

Government's responses to the first and second categories are provided below. Recommendations that do not relate to the division of revenue are normally referred to the officials to whom they were addressed, who are requested to respond directly to the FFC. However, for this cycle of recommendations, the FFC frustrated the process to allow for the referral of the recommendations so recommendations were not referred. All the FFC recommendations can be accessed at www.ffc.co.za.

Recommendations that apply directly and indirectly to the division of revenue

Chapter 2: Measuring the Macroeconomic and Fiscal Impacts of COVID-19 in South Africa

Supporting local demand and localised products

The FFC recommends the following: "The 2022/23 Division of Revenue should, in promoting economic growth, be more specific in supporting local demand and localised product procurement in order to support value chains, as endorsed by the President in the State of the Nation Address (SONA) towards economic transformation and development. The Minister of Finance should explore the use of the budget as an instrument to incentivise localised product procurement. The Commission, in its 2021/22 Annual Submission for the Division of Revenue (Chapter 3, Recommendation 2), also recommended the concept of a localised product value chain approach towards growth. This was further agreed to in the 2021 W1 Annexure: Explanatory Memorandum to the Division of Revenue."

Government response

The Minister of Finance, within the available legislative mandate, has ensured that promotion of local products through procurement is provided for. Section 217 of the Constitution provides for organs of state to implement a procurement policy providing for categories of preference in the allocation of contracts when contracting for goods and services. However, it requires that national legislation prescribe a framework within which the preferential procurement policy must be implemented. To effect this requirement, the Minister of Finance issued the Preferential Procurement Policy Framework Act (2000) to ensure that procurement is utilised as lever to address broader government socioeconomic objectives. Regulation 8 of the Preferential Procurement Regulations of 2017 makes provision to address local production and content. Furthermore, the objective of the Public Procurement Bill is to ensure that the state uses procurement to promote local production. In addition, chapter 4 of the bill makes provision for preference measures to set aside the allocation of contracts to promote locally manufactured goods.

Chapter 4: The Impact of the COVID-19 Pandemic on the Local Economy

Supporting municipalities to embrace e-government (digitalisation)

The FFC recommends the following: "National Treasury, through the Municipal Systems Improvement Grant (MSIG), should support municipalities to embrace e-government (digitalisation) and diversify their revenue mix as part of building the financial resilience of local government."

Government response

The Department of Cooperative Governance is responsible for the grant and setting its conditions.

Chapter 7: COVID-19 and Food Security

Continuation of school feeding programme during COVID-19

The FFC recommends the following: “The Minister of Finance, in the Division of Revenue, should continue supporting the Department of Basic Education (DBE) in school-feeding programmes during COVID-19.”

Government response

The Division of Revenue Bill provides an allocation and a grant framework for the *national school nutrition programme grant*.

Chapter 9: The Role of Intergovernmental Oversight and Support in Avoiding a Section 139 Intervention

Allocation and review of capacity-building grants

The FFC recommends the following: “As part of National Treasury’s review of capacity-building grants, financial support to build capacity and institutional systems (such as the Finance Management Grant and the Municipal Systems Improvement Grant):

- i. should be disproportionately directed at lesser-resourced, poorer and more rural municipalities;
- ii. should make every effort to ensure that capacity-building efforts are comprehensively consulted with and agreed to with a municipality;
- iii. should either link capacity-building efforts to a municipality-specific diagnosis of capacity challenges or deficits, or be specifically aimed at addressing challenges picked up through intergovernmental monitoring; and
- iv. should consider the consolidation of all capacity-building grants into one financial flow that is specifically linked to overall intergovernmental ‘support’ of municipalities. This will assist in the administrative and reporting burden placed on both grant administering departments and receiving municipalities, and will further assist in streamlining the overall conditional grant framework.”

Government response

Government notes the recommendations, which to a large extent, echo the findings that emerged from the diagnostic review of capacity-building initiatives. Work is being undertaken to implement the review findings; however, it should be highlighted that to ensure their effectiveness, the recommendations emanating from the Diagnostic Review need to be phased in.

Monitoring and reporting

The FFC recommends the following: “Given that the current monitoring and support framework is applied uniformly across local government, government should reconsider its current approach to explore the principle of a differentiated method to municipalities when it comes to financial and non-financial reporting requirements, overall monitoring and support.”

Government response

Reporting in general falls outside the scope of the Division of Revenue. Reporting on conditional grants, which is an issue for the Division of Revenue Act, cannot be done outside the overall reporting norms and standards.

Chapter 10: Leadership, Management and Governance for Sustainable Public Service Delivery

Compliance with legislation

The FFC recommends the following: “The Minister of Finance, in the Division of Revenue, should ensure that commitment to compliance with legislation and policy frameworks is formalised with all participants in an infrastructure project prior to the commencement of the project, with financial consequences for compliance failures clearly set out. This will ensure that policies and clear regulatory frameworks are in place to avoid judiciary involvement and pronouncing on what should be done on policy matters that could have been easily resolved through policy and legislation.”

Government response

Each grant framework clearly articulates the roles and responsibilities of the different role players. Moreover, sections 17 to 19 of the 2021 Division of Revenue Act outline the financial consequences of withholding, stopping and reallocations.

Part 4: Provincial allocations

Provincial government receives two forms of allocations from nationally raised revenue, the equitable share and conditional grants. Sections 214 and 227 of the Constitution require that an equitable share of nationally raised revenue be allocated to provincial government to provide basic services and perform its allocated functions. The equitable share is an unconditional transfer to provinces and constitutes their main source of revenue. Due to their limited revenue-raising abilities, provinces receive 41.4 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 95 per cent of provincial revenue.

This section outlines national transfers to provinces for the 2022 MTEF period announced in the 2021 MTBPS and changes that were effected after it was tabled, both to the equitable share and conditional grants. Having taken the revisions to the provincial fiscal framework into account, national transfers to provinces increase from R661 billion in 2021/22 to R682.5 billion in 2022/23. Over the MTEF period, provincial transfers will grow at an average annual rate of 1.4 per cent to R690.2 billion in 2024/25. Table W1.5 sets out the transfers to provinces for 2022/23. A total of R560.8 billion is allocated to the provincial equitable share and R121.8 billion to conditional grants, which includes an unallocated amount of R471 million for the *provincial disaster response grant* and the *provincial emergency housing grant*.

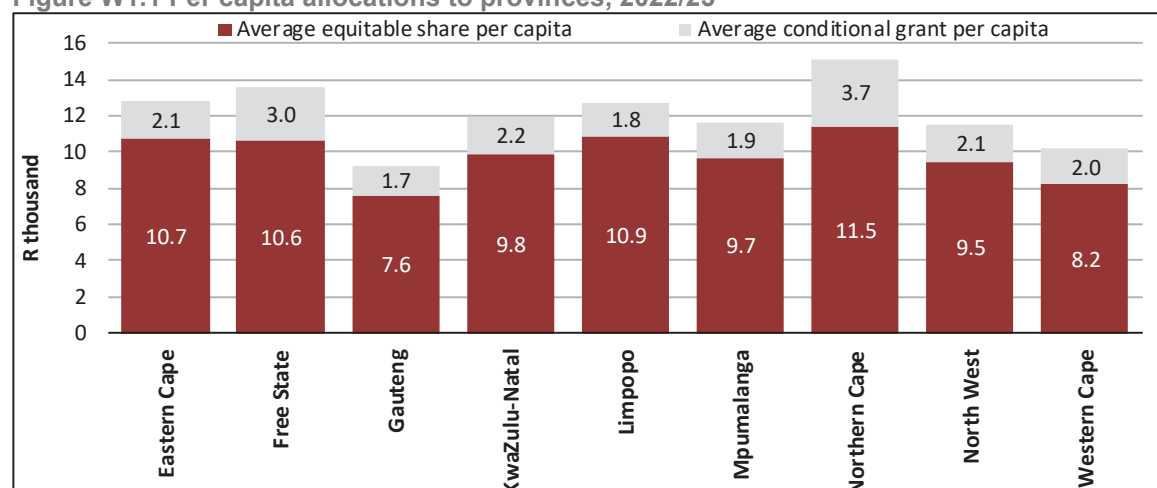
Table W1.5 Total transfers to provinces, 2022/23

R million	Equitable share	Conditional grants	Total transfers
Eastern Cape	72 231	13 850	86 081
Free State	31 107	8 737	39 845
Gauteng	120 042	26 503	146 545
KwaZulu-Natal	114 509	25 041	139 551
Limpopo	64 056	10 741	74 796
Mpumalanga	45 962	9 060	55 022
Northern Cape	14 942	4 795	19 737
North West	39 540	8 568	48 108
Western Cape	58 367	14 016	72 383
Unallocated		471	471
Total	560 757	121 782	682 539

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, 2022/23



Source: National Treasury

Changes to provincial allocations

Funds have been added to provincial transfers to allow provinces to cover the cost of the non-pensionable cash gratuity to public-service employees resulting from the 2021 wage agreement. As mentioned in the 2021 MTBPS, R20.5 billion has been set aside in 2022/23 as a preliminary carry-through allocation for national and provincial departments to continue the payment of the once-off cash gratuity if no new wage agreement is reached in 2022. Of this amount, R14.7 billion has been allocated to provinces, with R13.9 billion added to the provincial equitable share and R809 million added to several provincial conditional grants that cover compensation of employees.

Additional funding was added to the provincial equitable share over the next three years after the tabling of the 2021 MTBPS. This includes R24.6 billion to support provincial education departments in addressing educator numbers and other shortfalls within the sector (R9 billion in 2022/23, R7.6 billion in 2023/24 and R8 billion in 2024/25). A further R12.7 billion (made up of R6.2 billion in 2022/23 and R6.5 billion in 2023/24) is added for the provincial education departments to continue hiring assistants in schools as part of the presidential employment initiative. An amount of R15.6 billion is added for provincial departments of health to continue to respond to the COVID-19 pandemic and to reduce the impact of budget reductions on essential medical goods and services (R7.4 billion in 2022/23, R3.4 billion in 2023/24 and R4.7 billion in 2024/25). For the social sector, R988 million has been added to fund non-profit organisations that are already contracted by the provincial departments of social development, with R204 million in 2022/23, R358 million in 2023/24 and R426 million in 2024/25.

Additions to provincial conditional grants over the MTEF period made after the 2021 MTBPS include R3.3 billion added to the *human resources and training grant* to address the funding shortfall for medical interns and community service doctors; R1 billion is added in 2022/23 to the COVID-19 component of the *district health programmes grant* to fund the continuation of the COVID-19 vaccine rollout by provinces; and R2.1 billion is added over the next two years for repairing infrastructure damaged by floods and storms in KwaZulu-Natal in 2019 and 2020. This disaster funding is added to the *human settlements development grant* for repairs of houses, the *education infrastructure grant* for repairs of schools and the *provincial roads maintenance grant* for repairs of provincial roads.

Other changes include reprioritisation of funds and reductions, mainly in conditional grants. To address a funding shortfall for medical internship and community services posts in provinces over the 2022 MTEF period, R745 million has been reprioritised to the *human resource and training grant*. This funding is made available by reprioritising R345 million from the *health facility revitalisation grant* and R400 million from the *national health insurance indirect grant* over the 2022 MTEF period. In addition, R1.7 billion has been reduced from the *provincial roads maintenance grant* in 2022/23. These funds were set aside in the baseline of the conditional grant in the 2021 MTEF as an incentive portion that is allocated to provinces based on their performance within the grant. For 2022/23, the incentive portion will not be allocated to the provinces as the process of developing clear and objective criteria by the sector is being finalised.

Changes have also been made to conditional grants to accommodate structural changes and function shifts. The *HIV, TB, malaria and community outreach grant* will be renamed the *district health programmes grant*. It will still be used for the same purpose, but the number of components within the grant will be reduced to two. The mental health services component and oncology services component of the previous grant will be shifted to the *national health insurance grant*.

In the social development sector, the early childhood development programme will be transferred to the education sector from April 2022. As a result, the *early childhood development grant* will be moved from the Department of Social Development to the Department of Basic Education. The name of the *provincial disaster relief grant* will be amended to the *provincial disaster response grant*. The proposed name change does not change the main objective of the grant; it merely aligns the existing actions and processes that are followed by the National Disaster Management Centre in responding to disasters, including providing relief where it is needed. Further details on all these changes are provided in the conditional grants section.

Table W1.6 provides a summary of the changes to the provincial allocations.

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

R million	2022/23	2023/24	2024/25	MTEF total
Technical adjustments	–	–	–	–
Direct transfers	332	332	332	996
District health programmes	-219	-224	-234	-676
Health facility revitalisation	-115	-115	-115	-345
Human resources and training	248	248	248	745
National health insurance	418	423	433	1 273
Indirect transfers	-332	-332	-332	-996
National health insurance indirect	-332	-332	-332	-996
Additions to baselines	40 603	20 174	14 066	74 842
Direct transfers	40 603	20 174	14 066	74 842
Provincial equitable share	36 669	17 845	13 124	67 638
Comprehensive agricultural support programme	7	–	–	7
Early childhood development	1	–	–	1
Education infrastructure	155	326	–	480
HIV and AIDS (life skills education)	1	–	–	1
Learners with profound intellectual disabilities	6	–	–	6
Maths, science and technology	0.3	–	–	0.3
National school nutrition programme	4	–	–	4
District health programme	1 331	–	–	1 331
Health facility revitalisation	9	–	–	9
Human resources and training	1 202	1 234	942	3 378
National health insurance	4	–	–	4
National tertiary services	306	–	–	306
Human settlements development	398	475	–	873
Community library services	19	–	–	19
Mass participation and sport development	2	–	–	2
Provincial roads maintenance	490	294	–	784
Indirect transfers	0.3	–	–	0
School infrastructure backlogs	0.3	–	–	0
Reduction to baselines	-1 740	-20	-30	-1 790
Direct transfers	-1 740	-20	-30	-1 790
Provincial roads maintenance	-1 740	-20	-30	-1 790
Total change to provincial government allocations				–
Change to direct transfers	39 195	20 486	14 368	74 049
Change to indirect transfers	-332	-332	-332	-996
Net change to provincial government allocations	38 864	20 154	14 036	73 053

Source: National Treasury

After accounting for these changes, the provincial equitable share grows at an average annual rate of 1 per cent over the MTEF period, while direct conditional grant allocations grow at an average annual rate of 3.3 per cent.

The provincial equitable share

The equitable share is the main source of revenue through which provinces are able to meet their expenditure responsibilities. To ensure that allocations are fair, the equitable share is allocated through a formula using objective data to reflect the demand for services across all nine provinces. For each year of the 2022 MTEF period, the following amounts are allocated to the provincial equitable share respectively: R560.8 billion, R543.1 billion and R562 billion.

The equitable share formula

The equitable share formula consists of six components that account for the relative demand of services and take into consideration the change of demographics in each of the provinces. The structure of the two largest components, education and health, is based on the demand and the need for education and health services. The other four components enable provinces to perform their other functions, taking into consideration population size of each province, the proportion of poor residents in each province, the level of economic activity and the costs associated with running a provincial administration.

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 involves updating the health component with a newly designed risk-adjusted index to inform the risk profile of each province. These changes, which will be phased in over the 2022 MTEF period, are explained under the health component section below.

For the 2022 MTEF the rest of the formula has been updated with data from Statistics South Africa's 2021 mid-year population estimates on population and age cohorts and the 2021 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 2018/19 and 2019/20 that was used in the 2021 MTEF and the 2019 General Household Survey for medical aid coverage is also used to update the formula. At the time of determining the equitable share for each province, the 2020 General Household Survey was not published, so data from the 2019 General Household Survey was used instead. The most recent health sector data that was submitted by the Department of Health for 2020/21 shows a significant decline in the use of healthcare facilities (attributed to the COVID-19 pandemic) as well as a lack of reporting for some of the facilities. As a result, the data for 2018/19 and 2019/20 is used for the output sub-component as it better captures the use of the health facilities for the different provinces.

Both the changes that have been made as a result of the review of the formula and the annual data updates were discussed in meetings held with the Technical Committee for Finance and the Budget Council, and endorsed by Cabinet. The changes in the allocations tend to mirror shifts in population across provinces, which result in changes in the relative demand for public services across these areas. The impact of these data updates on the provincial equitable shares will be phased in over three years (2022/23–2024/25).

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 2022 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, 2022 MTEF

	Education	Health	Basic share	Poverty	Economic activity	Institutional	Weighted average
	48.0%	27.0%	16.0%	3.0%	1.0%	5.0%	100.0%
Eastern Cape	13.5%	12.7%	11.2%	14.6%	7.6%	11.1%	12.8%
Free State	5.2%	5.5%	4.9%	5.1%	5.0%	11.1%	5.5%
Gauteng	20.0%	23.1%	26.2%	19.0%	34.5%	11.1%	21.5%
KwaZulu-Natal	21.5%	20.7%	19.3%	22.0%	15.9%	11.1%	20.4%
Limpopo	12.6%	10.3%	9.8%	13.0%	7.4%	11.1%	11.4%
Mpumalanga	8.3%	7.6%	7.9%	9.3%	7.5%	11.1%	8.2%
Northern Cape	2.2%	2.1%	2.2%	2.2%	2.0%	11.1%	2.6%
North West	6.8%	6.8%	6.9%	8.3%	6.5%	11.1%	7.1%
Western Cape	9.8%	11.2%	11.8%	6.5%	13.6%	11.1%	10.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: National Treasury

Education component (48 per cent)

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

The school-age population data is updated using the 2021 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 2021. These subcomponents 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

	Age 5-17	School enrolment		Changes in enrolment data	Weighted average		Difference in weighted average
		2020	2021		2021 MTEF	2022 MTEF	
Thousand							
Eastern Cape	1 920	1 841	1 846	5	13.6%	13.5%	-0.11%
Free State	726	718	725	7	5.3%	5.2%	-0.04%
Gauteng	3 033	2 500	2 558	58	19.9%	20.1%	0.15%
KwaZulu-Natal	3 090	2 864	2 891	27	21.5%	21.5%	-0.02%
Limpopo	1 703	1 758	1 798	40	12.5%	12.6%	0.04%
Mpumalanga	1 179	1 107	1 134	27	8.3%	8.3%	0.02%
Northern Cape	320	303	304	1	2.3%	2.2%	-0.02%
North West	1 019	863	872	10	6.8%	6.8%	-0.01%
Western Cape	1 468	1 240	1 262	22	9.8%	9.8%	0.00%
Total	14 459	13 195	13 390	195	100.0%	100.0%	-

Source: National Treasury

Health component (27 per cent)

For the 2022 MTEF, changes will be made to the health component based on the review of the provincial equitable share formula. Currently, the health component uses a risk-adjusted sub-component and an output component to estimate each province's share of the health component.

The risk-adjusted sub-component estimates a weighted population in each province using the risk-adjusted index. 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. This index was introduced into the health component in a previous review of the formula in 2010 and has not been updated since. Data on the consumption of healthcare services, disaggregated by age and gender, was used to estimate the relative cost of the healthcare needs of the population for each province. For the purpose of the health component, the risk-adjusted index also accounted for the burden of delivering healthcare services to population living with HIV and maternity.

Extensive technical work has been carried out to redesign the risk-adjusted index. The first part of the technical work entailed a literature review to understand the variables that are suitable for the risk-adjusted index, followed by identifying data sources that would be required to estimate these variables.

The approach to selecting the variables was guided by the principles that the variables would need to be evidence based, represent material differences in healthcare needs between provinces, and use data that is easily updateable and that had to be drawn from official statistics. In the event that there was no official statistics to provide the data, the health sector had to endorse using alternative data sources. Details on each of the newly selected variables are provided below:

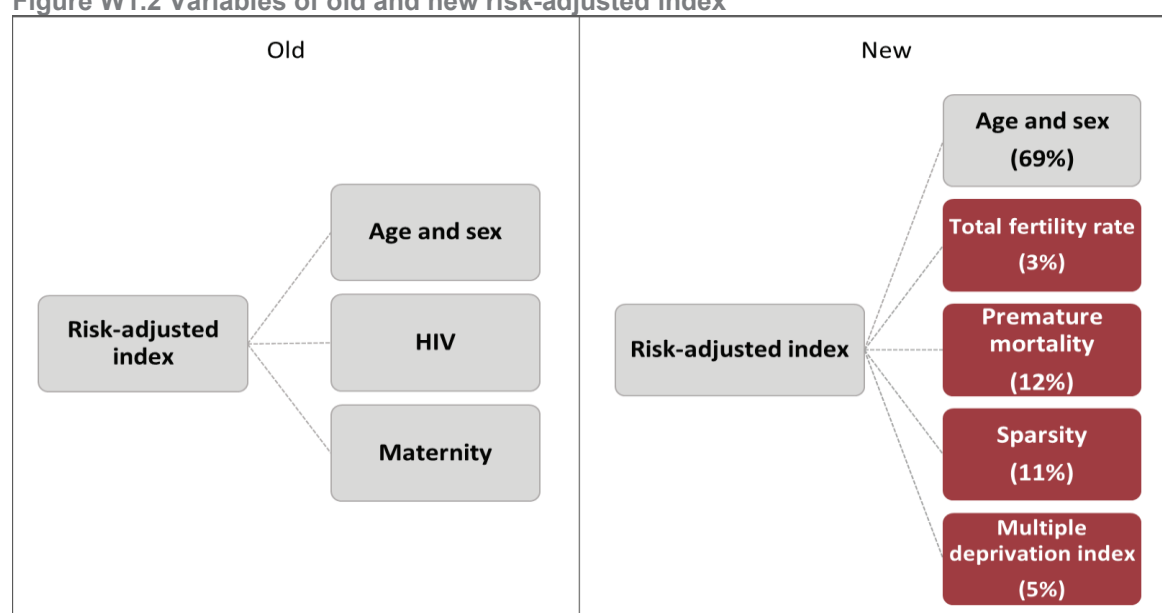
- *Age and sex*: Age and sex are used to inform both the old and the new risk-adjusted index. The variable measures the relative cost of providing healthcare services for the uninsured population, by age and sex. Members of the population of a different sex and at different stages of life have different healthcare needs. Children tend to incur higher healthcare costs in their first year of life compared to subsequent years and the elderly have higher healthcare costs than younger people. The relative cost is calculated by determining the relative resource requirements associated with each combination of sex and age band. To achieve this, the Government Employees Medical Scheme data on claims from 2018 was used to determine this relative cost of a particular age and sex band as equivalent data on resource use by age and sex is not available in the public sector. The population data, disaggregated by age and sex, was obtained from the mid-year population estimates, and the general household survey data was used to separate out the uninsured population.
- *Total fertility rate*: The previous risk-adjusted index took into consideration maternity, that is, the additional burden of providing healthcare services to pregnant women. The current risk-adjusted index continues to do so, but uses the total fertility rate. It is an important factor to adjust for, given the significant amount of healthcare resources that are dedicated to focus on maternal and child health. Total

fertility rate takes this a step further as it accounts for the number of times a woman is expected to give birth in her lifetime. The total fertility rate for each province is obtained from Statistics South Africa.

- *Premature mortality*: The current risk-adjusted index does not account for any other burden of disease beyond HIV. Premature mortality is used as a proxy to measure the burden of disease in each of the provinces. A higher premature mortality implies a higher rate of disease burden and therefore a higher need for healthcare services. The causes of death include HIV, heart disease and road traffic accidents. The premature mortality is defined as deaths occurring before a person reaches the age of 65 in order to account for a shorter life expectancy and a higher disease burden. The provincial mortality data from Statistics South Africa was used to calculate the premature mortality variable for each province.
- *Sparsity*: The population sparsity in an area is used to account for the additional costs of delivering healthcare in areas with low population density. This has an impact on the demand for health services in areas that are geographically remote as there are fewer people using healthcare services due to the limited access, mainly owing to limited transport infrastructure. This makes the per capita costs of delivering services in such areas higher than in areas of high usage. Statistics South Africa data was used to measure the population density at municipal level. The municipalities were ranked from the least densely populated to the most densely populated and divided into quintiles, with each quintile containing 20 per cent of the country's population. Each province's population distribution across the quintiles was then used to determine the sparsity variable for each of province.
- *Multiple deprivation index*: The new risk-adjusted index also captures the differences in the social determinants of health between provinces that have a bearing on population health through a multiple deprivation index. The level of deprivation for each of the provinces is captured by considering the highest level of education, the state of the living environment and a measure for the poor population based on the ownership of various assets or household goods. A combination of these factors was then used to construct a multiple deprivation index for each of the provinces, with data obtained from the 2016 Community Survey.

These five variables were assigned different weights, adding up to 100 per cent. These weights were used to arrive at a final risk-adjusted index for each of the provinces. Figure W1.2 provides a summary of both the variables that were used to inform the current risk-adjusted index, and the variables that were selected to inform the redesigned risk-adjusted index and the weights that were assigned to the variables in the new index. HIV has been removed as a standalone variable and is accounted for in the age and sex variable and premature mortality.

Figure W1.2 Variables of old and new risk-adjusted index



Source: National Treasury

All the data used for the variables is easily updatable, but will be updated at different intervals. The age and sex, sparsity and multiple deprivation index variables will be updated periodically as these variables do not change significantly from year to year. The data on the total fertility rate and premature mortality will form part of the annual technical data updates that are made to the health components. Table W1.9 shows the changes between the old and the new risk-adjusted index. These changes will be phased in over the next three years to give provinces time to adapt to the changes in their equitable share resulting from the changes in the risk-adjusted index. A third of the changes will be implemented in 2022/23, two-thirds in 2023/24 and 100 per cent of the changes will be implemented in 2024/25.

Table W1.9 Changes to the risk-adjusted index

	Risk-adjusted shares			Risk-adjusted index (with one-third of the changes)
	Old	New	Difference	
Eastern Cape	97%	119%	22.0%	104%
Free State	103%	112%	9.0%	106%
Gauteng	105%	87%	-18.0%	99%
KwaZulu-Natal	99%	102%	3.0%	100%
Limpopo	92%	114%	22.0%	99%
Mpumalanga	96%	105%	9.0%	99%
Northern Cape	101%	116%	15.0%	106%
North West	102%	110%	8.0%	105%
Western Cape	104%	90%	-14.0%	99%

Source: National Treasury

The resulting risk-adjusted index is applied to the uninsured population. The percentage of the population with medical insurance, based on the 2019 General Household Survey, is deducted from the 2020 mid-year population estimates to estimate the uninsured population per province. The column on the right in Table W1.10 shows the change in this sub-component between 2021 and 2022.

Table W1.10 Risk-adjusted sub-component shares

Thousand	Mid-year population estimates ¹	Insured population	Risk-adjusted index (with one-third of the changes)	Weighted population	Risk-adjusted shares		Change
	2021	2019			2021 MTEF	2022 MTEF	
Eastern Cape	6 726	10.8%	104.1%	6 245	11.8%	12.4%	0.65%
Free State	2 936	14.7%	106.2%	2 661	5.1%	5.3%	0.21%
Gauteng	15 801	24.9%	99.1%	11 763	24.9%	23.4%	-1.52%
KwaZulu-Natal	11 643	13.1%	100.1%	10 123	20.0%	20.1%	0.10%
Limpopo	5 880	9.9%	99.1%	5 248	9.9%	10.4%	0.57%
Mpumalanga	4 738	12.6%	98.7%	4 087	7.9%	8.1%	0.28%
Northern Cape	1 305	19.3%	105.7%	1 113	2.2%	2.2%	0.02%
North West	4 164	16.3%	104.8%	3 651	7.3%	7.3%	-0.02%
Western Cape	7 113	24.1%	99.3%	5 358	11.0%	10.7%	-0.29%
Total	60 305	0.0%	-	50 250	100.0%	100.0%	-

1. The population estimates were informed by a data set that StatsSA shared with National Treasury on population, used to inform the mid-year population estimates, and not the data from the 2021 mid-year population estimates publication. This data is used in different components of the formula

Source: National Treasury

The output sub-component (shown in Table W1.11) uses patient load data from the District Health Information Services. The average number of visits to primary healthcare clinics in 2018/19 and 2019/20 is calculated to estimate each province's share of this part of the output component, which makes up 5 per cent of the health component. As mentioned above, this data was used in the 2021 MTEF and is used for the 2022

MTEF due to the decline in use of healthcare facilities and the lack of reporting for some facilities as seen in the 2021/22 data due to the COVID-19 pandemic. For hospitals, each province's share of the total patient-day equivalents at public hospitals in 2018/19 and 2019/20 is used to estimate their share of this part of the output sub-component, making up 20 per cent of the health component. In total, the output component is 25 per cent of the health component.

Table W1.11 Output sub-component shares

Thousand	Primary healthcare visits				Hospital workload patient-day equivalents			
	2019/20	2020/21	Average	Share	2019/20	2020/21	Average	Share
Eastern Cape	16 606	16 423	16 514	13.8%	4 388	4 296	4 342	13.3%
Free State	5 299	5 386	5 343	4.5%	2 126	2 171	2 148	6.6%
Gauteng	20 905	21 320	21 113	17.7%	7 467	7 649	7 558	23.2%
KwaZulu-Natal	28 525	28 365	28 445	23.8%	7 143	7 106	7 125	21.9%
Limpopo	14 336	14 344	14 340	12.0%	3 010	3 012	3 011	9.2%
Mpumalanga	9 253	9 225	9 239	7.7%	1 898	1 871	1 884	5.8%
Northern Cape	2 719	2 730	2 724	2.3%	573	586	580	1.8%
North West	7 446	7 708	7 577	6.3%	1 610	1 678	1 644	5.0%
Western Cape	14 083	14 357	14 220	11.9%	4 297	4 236	4 267	13.1%
Total	119 173	119 859	119 516	100.0%	32 512	32 605	32 559	100.0%

Source: National Treasury

These methods work together to balance needs (risk-adjusted component) and demands (output component). Table W1.12 presents the health component in three parts, with the updated shares of 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 W1.12 Health component weighted shares

Weight	Risk-adjusted	Primary healthcare	Hospital component	Weighted shares		Change
	75.0%	5.0%	20.0%	2021 MTEF	2022 MTEF	
Eastern Cape	12.4%	13.8%	13.3%	12.2%	12.7%	0.49%
Free State	5.3%	4.5%	6.6%	5.4%	5.5%	0.16%
Gauteng	23.4%	17.7%	23.2%	24.2%	23.1%	-1.14%
KwaZulu-Natal	20.1%	23.8%	21.9%	20.6%	20.7%	0.08%
Limpopo	10.4%	12.0%	9.2%	9.9%	10.3%	0.42%
Mpumalanga	8.1%	7.7%	5.8%	7.4%	7.6%	0.21%
Northern Cape	2.2%	2.3%	1.8%	2.1%	2.1%	0.02%
North West	7.3%	6.3%	5.0%	6.8%	6.8%	-0.02%
Western Cape	10.7%	11.9%	13.1%	11.4%	11.2%	-0.22%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	-

Source: National Treasury

Basic component (16 per cent)

The basic component is derived from each province's share of the national population. This component constitutes 16 per cent of the total equitable share. For the 2022 MTEF, population data is drawn from the 2021 mid-year population estimates produced by Statistics South Africa. Table W1.13 shows how population changes have affected the basic component's revised weighted shares.

Table W1.13 Impact of the changes in population on the basic component shares

Thousand	Mid-year population estimates ¹		Population change	% population change	Basic component shares		Change
	2020	2021			2021 MTEF	2022 MTEF	
Eastern Cape	6 734	6 726	-8	-0.1%	11.3%	11.2%	-0.14%
Free State	2 929	2 936	7	0.2%	4.9%	4.9%	-0.04%
Gauteng	15 488	15 801	312	2.0%	26.0%	26.2%	0.22%
KwaZulu-Natal	11 532	11 643	112	1.0%	19.3%	19.3%	-0.03%
Limpopo	5 853	5 880	28	0.5%	9.8%	9.8%	-0.07%
Mpumalanga	4 680	4 738	58	1.2%	7.8%	7.9%	0.01%
Northern Cape	1 293	1 305	12	0.9%	2.2%	2.2%	-0.01%
North West	4 109	4 164	55	1.3%	6.9%	6.9%	0.01%
Western Cape	7 006	7 113	107	1.5%	11.8%	11.8%	0.05%
Total	59 622	60 305	683	0.0%	100.0%	100.0%	-

1. The population estimates were informed by a data set that StatsSA shared with National Treasury on population, used to inform the mid-year population estimates, and not the data from the 2021 mid-year population estimates publication. This data is used in different components of the formula

Source: National Treasury

Institutional component (5 per cent)

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

Poverty component (3 per cent)

The poverty component introduces a redistributive element to the formula and is assigned a weight of 3 per cent. For this component, the poor population is defined as people who fall into the lowest 40 per cent of household incomes in the 2010/11 Income and Expenditure Survey. The estimated size of the poor population in each province is calculated by multiplying the proportion of people in that province who fall into the poorest 40 per cent of South African households by the province's population figure from the 2021 mid-year population estimates. Table W1.14 shows the proportion of the poor in each province from the Income and Expenditure Survey, the 2021 mid-year population estimates and the weighted share of the poverty component per province.

Table W1.14 Comparison of current and new poverty component weighted shares

Thousand	Income and Expenditure Survey 2011/12	2021 MTEF			2022 MTEF			Difference in weighted shares
		Mid-year population estimates 2020 ¹	Poor population	Weighted shares	Mid-year population estimates 2021 ¹	Poor population	Weighted shares	
Eastern Cape	52.0%	6 734	3 504	14.8%	6 726	3 499	14.6%	-0.2%
Free State	41.4%	2 929	1 212	5.1%	2 936	1 215	5.1%	-0.0%
Gauteng	28.9%	15 488	4 471	18.8%	15 801	4 562	19.0%	0.2%
KwaZulu-Natal	45.3%	11 532	5 225	22.0%	11 643	5 275	22.0%	-0.0%
Limpopo	52.9%	5 853	3 094	13.0%	5 880	3 108	13.0%	-0.1%
Mpumalanga	47.3%	4 680	2 211	9.3%	4 738	2 239	9.3%	0.0%
Northern Cape	40.8%	1 293	527	2.2%	1 305	532	2.2%	-0.0%
North West	47.9%	4 109	1 968	8.3%	4 164	1 994	8.3%	0.0%
Western Cape	21.9%	7 006	1 532	6.5%	7 113	1 555	6.5%	0.0%
Total		59 622	23 744	100.0%	60 305	23 980	100.0%	-

1. The population estimates were informed by a data set that StatsSA shared with National Treasury on population, used to inform the mid-year population estimates, and not the data from the 2021 mid-year population estimates publication. This data is used in different components of the formula

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 2022 MTEF, 2019 GDP-R data is used. Table W1.15 shows the weighted shares of the economic activity component.

Table W1.15 Current and new economic activity component weighted shares

	2021 MTEF		2022 MTEF		Difference in weighted shares
	GDP-R, 2018 (R million)	Weighted shares	GDP-R, 2019 (R million)	Weighted shares	
Eastern Cape	375 489	7.7%	387 332	7.6%	-0.1%
Free State	243 139	5.0%	252 763	5.0%	-0.0%
Gauteng	1 672 745	34.3%	1 750 062	34.5%	0.1%
KwaZulu-Natal	778 763	16.0%	806 843	15.9%	-0.1%
Limpopo	359 885	7.4%	374 064	7.4%	-0.0%
Mpumalanga	366 839	7.5%	381 915	7.5%	-0.0%
Northern Cape	100 120	2.1%	103 349	2.0%	-0.0%
North West	313 645	6.4%	329 363	6.5%	0.1%
Western Cape	663 276	13.6%	691 934	13.6%	0.0%
Total	4 873 899	100.0%	5 077 625	100.0%	0.0%

Source: National Treasury

Full impact of data updates on the provincial equitable share

Table W1.16 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 2021 and 2022 MTEF periods. The size of each province's share reflects the relative demand for provincial public services in that province, and the changes in shares from 2021 to 2022 respond to changes in that demand. The details of how the data updates affect each component of the formula are described in detail in the subsections above.

Table W1.16 Full impact of data updates on the equitable share

	2021 MTEF weighted average	2022 MTEF weighted average	Difference
Eastern Cape	12.7%	12.8%	0.0%
Free State	5.5%	5.5%	0.0%
Gauteng	21.7%	21.5%	-0.2%
KwaZulu-Natal	20.4%	20.4%	0.0%
Limpopo	11.3%	11.4%	0.1%
Mpumalanga	8.2%	8.2%	0.1%
Northern Cape	2.6%	2.6%	-0.0%
North West	7.1%	7.1%	-0.0%
Western Cape	10.5%	10.5%	-0.0%
Total	100.0%	100.0%	0.0%

Source: National Treasury

Phasing in the formula

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

The equitable share formula data is updated every year and a new target share for each province is calculated, as shown in Table W1.17. 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 2022/23 published in the 2021 MTEF, and closes the gap between these shares by a third in each year of the 2022 MTEF period. As a result, one third of the impact of the data updates is implemented in 2022/23 and two thirds in the indicative allocations for 2023/24. The updates are thus fully implemented in the indicative allocations for 2024/25.

Table W1.17 Implementation of the equitable share weights

Percentage	2022/23 Indicative weighted shares from 2021 MTEF	2022 MTEF weighted shares 3-year phasing		
		2022/23	2023/24	2024/25
Eastern Cape	12.9%	12.9%	12.8%	12.8%
Free State	5.5%	5.5%	5.5%	5.5%
Gauteng	21.5%	21.4%	21.4%	21.5%
KwaZulu-Natal	20.4%	20.4%	20.4%	20.4%
Limpopo	11.4%	11.4%	11.4%	11.4%
Mpumalanga	8.2%	8.2%	8.2%	8.2%
Northern Cape	2.7%	2.7%	2.7%	2.7%
North West	7.0%	7.1%	7.1%	7.1%
Western Cape	10.5%	10.4%	10.5%	10.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: National Treasury

Allocations calculated outside the equitable share formula

In addition to allocations made through the formula, the provincial equitable share includes allocations that have been determined using other methodologies. These allocations are typically introduced when a new function or additional funding is transferred to provinces. 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 2022 MTEF period, R12.7 billion for the education sector is allocated outside the provincial equitable share formula for the presidential employment initiative. Table W1.18 provides a summary of the allocations made outside the provincial equitable share that carry through from previous financial years and a short description of how these amounts are allocated among provinces.

Table W1.18 Allocations outside provincial equitable share formula

	2021/22	2022/23	2023/24	2024/25	Allocation criteria
R million	Adjusted budget	Medium-term estimates			
Food relief shift	71	75	78	81	Allocated equally among the provinces
Social worker employment grant shift	239	251	262	273	Allocated in terms of what provinces would have received had the grant continued
Substance abuse treatment grant shift	83	87	91	95	Allocated in terms of what provinces would have received had the grant continued
Municipal intervention support	93	97	102	106	Allocated equally among the provinces
HIV Prevention Programmes	109	114	119	124	Allocated based on the non-profit organisations located in the 27 priority districts
Social worker additional support shift	139	146	153	159	Allocated according to areas of high prevalence of gender-based violence, substance abuse and issues affecting children
Sanitary Dignity Programme	217	226	236	246	Allocated proportionately based on the number of girl learners per province in quintiles 1 to 3 schools
Infrastructure delivery improvement programme shift	45	47	49	51	Allocated equally among the provinces
Education sector presidential employment initiative	6 000	6 194	6 458	–	Allocations are based on each provincial education department's projected capacity to employ assistants in schools in line with the objectives of the initiative
Total	6 997	7 236	7 546	1 137	

Source: National Treasury

Final provincial equitable share allocations

The final equitable share allocations per province for the 2022 MTEF period are detailed in Table W1.19. These allocations include the full impact of the data updates, phased in over three years, and the allocations that are made separately from the formula.

Table W1.19 Provincial equitable share

R million	2022/23	2023/24	2024/25
Eastern Cape	72 231	69 779	71 842
Free State	31 107	30 109	31 109
Gauteng	120 042	116 264	120 760
KwaZulu-Natal	114 509	110 786	114 373
Limpopo	64 056	62 073	64 127
Mpumalanga	45 962	44 595	46 220
Northern Cape	14 942	14 434	14 895
North West	39 540	38 298	39 702
Western Cape	58 367	56 810	58 991
Total	560 757	543 149	562 018

Source: National Treasury

Conditional grants to provinces

There are four types of provincial conditional grants:

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

Changes to conditional grants

The overall growth in direct conditional transfers to provinces averages 3.3 per cent over the medium term. Direct conditional grant baselines total R121.8 billion in 2022/23, R124.2 billion in 2023/24 and R128.1 billion in 2024/25. Indirect conditional grants amount to R4.6 billion, R4.5 billion and R4 billion respectively for each year of the same period.

Table W1.20 provides a summary of conditional grants by sector for the 2022 MTEF period. More detailed information, including the framework and allocation criteria for each grant, is provided in the 2022 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 2020/21.

Table W1.20 Conditional grants to provinces

R million	2021/22	2022/23	2023/24	2024/25	MTEF total
Agriculture, Land Reform and Rural Development	2 238	2 294	2 325	2 429	7 049
Comprehensive agricultural support programme	1 558	1 599	1 618	1 691	4 908
Ilima/Letsema projects	597	610	620	648	1 879
Land care programme: poverty relief and infrastructure development	83	85	86	90	261
Basic Education	21 936	23 008	24 151	24 895	72 053
Early childhood development	1 235	1 193	1 242	1 298	3 733
Education infrastructure	11 689	12 384	13 094	13 342	38 820
HIV and AIDS (life skills education)	242	242	242	253	736
Learners with profound intellectual disabilities	243	256	260	272	788
Maths, science and technology	412	425	433	453	1 310
National school nutrition programme	8 115	8 508	8 879	9 278	26 665
Cooperative Governance	140	145	146	152	444
Provincial disaster response	140	145	146	152	444
Health	52 462	56 252	54 183	56 171	166 606
District health programme grant	27 753	29 023	26 866	28 072	83 961
Health facility revitalisation	6 435	6 780	7 120	7 361	21 261
Human resources and training grant	4 298	5 449	5 479	5 367	16 295
National health insurance grant	269	694	695	717	2 105
National tertiary services	13 708	14 306	14 024	14 654	42 984
Human Settlements	17 604	18 702	19 586	19 970	58 259
Human settlements development	13 403	14 256	14 944	15 118	44 318
Informal settlements upgrading partnership	3 890	4 121	4 303	4 496	12 920
Provincial emergency housing	311	326	340	355	1 021
Public Works and Infrastructure	837	858	861	900	2 619
Expanded public works programme integrated grant for provinces	422	433	435	454	1 322
Social sector expanded public works programme incentive for provinces	414	425	426	446	1 297
Sport, Arts and Culture	2 087	2 176	2 175	2 272	6 623
Community library services	1 496	1 573	1 571	1 641	4 785
Mass participation and sport development	591	604	604	631	1 839
Transport	19 057	18 347	20 733	21 349	60 428
Provincial roads maintenance	11 937	11 256	13 330	13 613	38 200
Public transport operations	7 121	7 090	7 403	7 735	22 229
Total direct conditional allocations	116 361	121 782	124 161	128 138	374 081
Indirect transfers	3 954	4 612	4 550	4 015	13 177
Basic Education	2 397	2 403	2 079	2 172	6 653
School infrastructure backlogs	2 397	2 403	2 079	2 172	6 653
Health	1 557	2 209	2 471	1 843	6 523
National health insurance indirect	1 557	2 209	2 471	1 843	6 523

Source: National Treasury

Agriculture, land reform and rural development grants

The *comprehensive agricultural support programme grant* aims to support newly established and emerging farmers, particularly subsistence, smallholder and previously disadvantaged farmers. The grant funds a range of projects, including providing training, developing agro-processing infrastructure and directly supporting targeted farmers. Over the 2022 MTEF period, R4.9 billion is allocated to this grant, and the baseline grows at an average annual growth rate of 2.8 per cent, from R1.6 billion in 2022/23 to R1.7 billion in 2024/25. In 2022/23, R7 million is added to this grant for the non-pensionable cash gratuity for public-service employees.

The *land care programme grant: poverty relief and infrastructure development* aims to improve productivity and the sustainable use of natural resources. Provinces are also encouraged to use this grant to create jobs

through the Expanded Public Works Programme. Over the medium term, R261 million is allocated to this grant.

The *Ilima/Letsema projects grant* aims to boost food production by helping previously disadvantaged farming communities. The grant's baseline is R1.9 billion over the 2022 MTEF period.

Basic education grants

Following the President's announcement in the 2019 State of the Nation Address that the responsibility for early childhood development centres will be migrated from the Department of Social Development to the Department of Basic Education, the departments have been working closely to oversee the migration of the function. In 2020 and 2021 extensive work was done by the two sectors, including developing and signing proclamations at national and provincial level, and identifying the budget, posts and all relevant assets and infrastructure to be transferred from the social development sector to the basic education sector. In addition, consultations were held with all relevant stakeholders, and the Technical Committee for Finance was briefed on the progress made on the migration of the function at different stages. The function shift will come into effect on 1 April 2022. As part of the funds that have been identified to be transferred, the *early childhood development grant* will now be administered by the Department of Basic Education. As a result, the allocations for this grant to the provinces have now been included in the conditional grant allocations of the education sector.

The *early childhood development grant* supports government's prioritisation of early childhood development, as envisioned in the National Development Plan. The grant aims to improve poor children's access to early childhood programmes and ensure that early childhood development centres have adequate infrastructure. The grant baseline totals R3.7 billion over the 2022 MTEF period. A portion of the funds allocated for the maintenance component of the grant are unallocated for 2023/24 and 2024/25 as they will be informed by the outcomes of the infrastructure assessments that need to be conducted in each province. In 2022/23, R764 000 is added to this grant for the cash gratuity for public-service employees.

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. Over the 2022 MTEF period, R38.3 billion is allocated to the grant. This includes R145 million in 2022/23 and R326 million in 2023/24 earmarked for repairing school infrastructure damaged by natural disasters in KwaZulu-Natal. In 2022/23, R10 million is added to this grant for the cash gratuity for public-service employees.

Provincial education departments have to go through a two-year planning process to be eligible to receive incentive allocations for infrastructure projects. To receive the 2022/23 incentive, the departments had to meet certain prerequisites in 2020/21 and have their infrastructure plans approved in 2021/22. The national Department of Basic Education and the National Treasury assessed the provinces' infrastructure plans. The national departments, provincial treasuries and provincial departments of basic education undertook a moderation process to agree on the final scores. Provinces needed to obtain a minimum score of 60 per cent to qualify for the incentive. Table W1.21 shows the final score and incentive allocation for each province.

Table W1.21 Education infrastructure grant allocations

R thousand	Planning assessment results from 2021	2022/23		Final allocation for 2022/23
		Basic component	Incentive component	
Eastern Cape	81%	1 636 416	105 043	1 741 459
Free State	78%	852 978	105 043	958 021
Gauteng	79%	1 581 802	105 043	1 686 845
KwaZulu-Natal	83%	2 282 909	105 043	2 387 952
Limpopo	60%	1 315 811	–	1 315 811
Mpumalanga	61%	1 134 360	–	1 134 360
Northern Cape	75%	581 892	105 043	686 935
North West	85%	1 131 582	105 043	1 236 625
Western Cape	97%	1 131 034	105 043	1 236 077
Total		11 648 783	735 302	12 384 085

Source: National Treasury

The national Department of Basic Education uses the indirect *school infrastructure backlogs grant* to replace unsafe and inappropriate school structures and to provide water, sanitation services and electricity on behalf of provinces. This grant is allocated R6.7 billion over the medium term in the Planning, Information and Assessment Programme.

The *national school nutrition programme grant* aims to improve the nutrition of poor school children, enhance their capacity to learn and increase their attendance at school. The programme provides a free daily meal to learners in the poorest schools (quintiles 1 to 3). To provide meals to more children, while still providing quality food, growth in the grant's allocations over the MTEF period averages 4.6 per cent, with a total allocation of R26.7 billion. In 2022/23, R4 million is added to this grant for the cash gratuity for public-service employees.

The *maths, science and technology grant* provides for ICT, workshop equipment and machinery to schools, which should lead to better outcomes in maths and science in the long term. Over the medium term, R1.3 billion is allocated to the grant. In 2022/23, R265 000 is added to this grant for the cash gratuity for public-service employees.

The *HIV and AIDS (life skills education) programme grant* provides for life skills training, and sexuality and HIV/AIDS education in primary and secondary schools. The programme is fully integrated into the school system, with learner and teacher support materials provided for Grades 1 to 9. The grant's total allocation is R736 million over the medium term. In 2022/23, R1 million is added to this grant for the cash gratuity for public-service employees.

The *learners with profound intellectual disabilities grant* aims to expand access to education for these learners. Over the MTEF period, the grant will provide access to quality, publicly funded education to such learners by recruiting outreach teams. This grant has been allocated R788 million over the 2022 MTEF period. In 2022/23, R6 million is added to this grant for the cash gratuity for public-service employees.

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 2022 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. Over the medium term, R444 million has been allocated to the *provincial disaster response grant*.

Health grants

The Department of Health has proposed structural changes to the *HIV, TB, malaria and community outreach grant* to address challenges managing the multiple components under this conditional grant. Six of the components will be collapsed to form two main components: a comprehensive HIV/AIDS component (made up of the HIV/AIDS and the TB components) and a district health component (made up of the community outreach, malaria, HPV and COVID-19 components). The components that were previously created for mental health services and oncology services will be shifted from this conditional grant to the direct *national health insurance grant*. They were originally created for the preparation of implementing national health insurance and will be better placed in this grant. The name of the conditional grant will be changed from the *HIV, TB, malaria and community outreach grant* to the *district health programmes grant*. The grant will continue to support HIV/AIDS prevention programmes and specific interventions, including voluntary counselling and testing, prevention of mother-to-child transmission, post-exposure prophylaxis, antiretroviral treatment and home-based care. Over the medium term, the *district health programmes grant* is allocated R84 billion. In 2022/23, R331 million is added to this grant for the cash gratuity for public-service employees.

The health sector continues to be severely affected by the COVID-19 pandemic. The COVID-19 component, which was created to respond to the pandemic, has been merged with other components in the district health component of the grant, but the allocation will be ring-fenced to ensure that the Department of Health can still track the progress of the vaccine rollout. In 2022/23, R1 billion is added to the grant for this purpose. A total allocation of R1.9 billion in 2022/23 has been ring-fenced for the country's COVID-19 response.

The *national tertiary services grant* provides strategic funding to enable provinces to plan, modernise and transform tertiary hospital service delivery in line with national policy objectives. The grant operates in 29 tertiary hospitals across the nine provinces and continues to fund medical specialists, equipment, and advanced medical investigation and treatment according to approved service specifications. Patient referral pathways often cross provincial borders and, as a result, many patients receive care in neighbouring provinces if the required services are unavailable in their home province. In the 2021 MTEF, R205 million was unallocated for 2022/23, and these funds have now been allocated to the Eastern Cape, Limpopo, Mpumalanga and the North West provinces to develop and expand tertiary services. These developmental allocations will allow the provinces to develop their capacity in offering tertiary services within their facilities. A similar approach to allocating developmental funds is taken in the statutory human resources component of the *human resources and training grant* and further details on the amounts ring-fenced are discussed under this grant. The urban areas of Gauteng and the Western Cape continue to receive the largest share of the grant because they provide the largest proportion of high-level, sophisticated services. The grant is allocated R43 billion over the medium term: R14.3 billion in 2022/23, R14 billion in 2023/24 and R14.7 billion in 2024/25.

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. An amount of R345 million has been reprioritised from the grant to the *human resource and training grant* to fund the shortfall on medical internship and community services posts. Over the 2022 MTEF period, R21.3 billion has been allocated to this grant.

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 had to obtain a minimum score of 60 per cent to qualify for the incentive. Funds for the incentive component in the outer years are shown as unallocated. Table W1.22 sets out the final score and the incentive allocation per province.

Table W1.22 Health facility revitalisation grant allocations

R thousand	Planning assessment results from 2021	2022/23		Final allocation for 2022/23
		Basic component	Incentive component	
Eastern Cape	83%	665 365	65 465	730 829
Free State	82%	576 982	65 465	642 446
Gauteng	78%	993 395	65 465	1 058 859
KwaZulu-Natal	92%	1 324 449	65 465	1 389 913
Limpopo	75%	534 702	65 465	600 166
Mpumalanga	87%	397 846	65 465	463 310
Northern Cape	50%	444 942	–	444 942
North West	82%	587 027	65 465	652 491
Western Cape	98%	731 126	65 465	796 590
Total		6 255 830	523 716	6 779 546

Source: National Treasury

The *human resources and training grant* has two components and has been allocated R5.4 billion in 2022/23, R5.5 billion in 2023/24 and R5.4 billion in 2024/25. 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 recent years, the health sector has continued to face pressure in covering the costs associated with the placement of the growing number of medical graduates. The need for internship and community services posts has increased mainly due to students returning from Cuba and a higher number of medical students graduating in South Africa. As a result, funds were reprioritised from the *health facility revitalisation grant* and the *national health insurance indirect grant* to address the shortfall. After the tabling of the 2021 MTBPS, a further R3.3 billion was added to this grant, consisting of R1.1 billion in 2022/23, R1.2 billion in 2023/24 and R942 million in 2024/25. In the 2021 MTEF, R25.1 million was unallocated for 2022/23 in the training component. This amount has now been allocated to the Eastern Cape, Limpopo, Mpumalanga, the Northern Cape and the North West provinces to develop and expand tertiary services. In 2022/23, R109 million is added to this grant for the cash gratuity for public-service employees.

The *national health insurance indirect grant* continues to fund all preparatory work for universal health coverage, as announced in 2017/18. Over the 2022 MTEF period, this will be done through three components: the health facility revitalisation component and two integrated components (personal services component and non-personal services component). The personal services component funds priority services for national health insurance, which include:

- Expanding access to school health services, focusing on optometry and audiology.
- Providing maternal care for high-risk pregnancies, screening and treatment for breast and cervical cancer, hip and knee arthroplasty, cataract surgeries and wheelchairs.

Non-personal services will test, and scale up when ready, the technology platforms and information systems needed to ensure a successful transition to national health insurance. This component is allocated R1.9 billion over the medium term to continue funding initiatives to strengthen health information systems, clinics, and the dispensing and distribution of centralised chronic medicines.

Similar to the *health facility revitalisation grant*, R300 million has been shifted from this grant to the *human resources and training grant* to fund internship and community service posts. The indirect grant is allocated R6.5 billion over the 2022 MTEF period.

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

In addition, the grant will fund the provision of mental health services and oncology services. These components have been shifted, along with the funding, from the *district health programmes grant* (the former *HIV, TB, malaria and community outreach grant*). They will not be standalone components, but will be part of the activities that are funded through the grant. This is part of a continuation of shifting of funds for mental health services and oncology services to the *national health insurance grant* that started in the 2021 MTEF, where changes were made during the 2021 MTBPS to accommodate the shift of funding for these services from the *national health insurance indirect grant* to this grant. Over time, provinces have showed readiness to take on the delivery of these services and they will be more appropriately placed as part of the preparatory work for national health insurance. The grant's baseline is R2.1 billion over the medium term.

Human settlements grants

The *human settlements development grant* seeks to establish habitable, stable and sustainable human settlements in which all citizens have access to social and economic amenities. Over the 2022 MTEF period, a total of R44.3 billion has been allocated to this grant. This includes R398 million in 2022/23 and R475 million in 2023/24 earmarked for repairing houses affected by natural disasters in KwaZulu-Natal.

This grant is allocated using a formula with three components:

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

Table W1.23 shows how the *human settlements development grant* formula calculates the shares for each province and the metropolitan municipalities within the provinces. Section 12(6) of the Division of Revenue Act requires provinces to gazette how much they will spend within each accredited municipality (including the amounts transferred to that municipality and the amounts spent by the province in that municipal area). Funds for mining towns and disaster recovery are allocated separately from the formula.

Table W1.23 Human settlements development grant formula calculation

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

Source: 2011 Census and General Household Survey

A total of R548 million is ring-fenced within the *human settlements development grant* in 2022/23 to upgrade human settlements in mining towns in six provinces. These allocations respond to areas with significant informal settlement challenges, with a high proportion of economic activity based on the natural resources sector.

In 2021/22 the *informal settlements upgrading partnership grant* was created to intensify efforts to upgrade informal settlements in partnership with communities. The conditional grant is dedicated to increasing investment in in-situ informal settlement upgrading, which includes identifying informal settlements for upgrades, providing households with tenure and providing municipal engineering services. Over the 2022 MTEF period, R12.9 billion is allocated to the grant.

The *provincial emergency housing grant* enables the Department of Human Settlements to rapidly respond to emergencies by providing temporary housing in line with the Emergency Housing Programme. However, the grant is limited to funding emergency housing following the immediate aftermath of a disaster, and not the other emergency situations listed in the programme. The grant's purpose was also previously expanded to fund the repair of houses damaged in disasters, if those repairs are cheaper than the grant's funding of relocating households to temporary shelter. Over the 2022 MTEF period, a total of R1 billion has been allocated to this grant.

Public works and infrastructure grants

The *expanded public works programme (EPWP) integrated grant for provinces* incentivises provincial departments to use labour-intensive methods in infrastructure, environmental and other projects. Grant allocations are determined upfront based on the performance of provincial departments in meeting job targets in the preceding financial year. The grant is allocated R1.3 billion over the MTEF period.

The *social sector EPWP incentive grant for provinces* rewards provinces for creating jobs in the preceding financial year in the areas of home-based care, early childhood development, adult literacy and numeracy, community safety and security, and sports programmes. The grant's allocation model incentivises provincial departments to participate in the EPWP and measures the performance of each province relative to its peers, providing additional incentives to those that perform well. The grant is allocated R1.3 billion over the 2022 MTEF period.

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 also be used to enable the shift of the libraries function between provinces and municipalities. The grant is allocated R4.8 billion over the next three years. This grant's baseline grows by 3.1 per cent over the medium term. In 2022/23, R19 million is added to this grant for the cash gratuity for public-service employees.

The *mass participation and sport development grant* aims to increase and sustain mass participation in sport and recreational activities in the provinces, with greater emphasis on provincial and district academies. The grant is allocated R1.8 billion over the medium term. This grant's baseline grows by 2.2 per cent over the medium term. In 2022/23, R2 million is added to this grant for the cash gratuity for public-service employees.

Transport grants

The *public transport operations grant* subsidises commuter bus services. It helps ensure that provinces meet their contractual obligations and provide services. Most of the contracts subsidised through this grant continue to operate on long-standing routes that link dormitory towns and suburbs established under apartheid to places of work. The grant allows provinces to renegotiate contracts and routes, and/or to devolve the function and funding to municipalities. This provides an opportunity for routes to be restructured in line with new settlement patterns and to promote more integrated urban development patterns in future. The grant is allocated R22.2 billion over the 2022 MTEF period.

The *provincial roads maintenance grant* is a supplementary grant that supports the cost of maintaining provincial roads. Provinces are expected to fund the construction of new roads from their own budgets and supplement the cost of maintaining and upgrading existing roads. Grant allocations are determined using a formula based on provincial road networks, road traffic and weather conditions. These factors reflect the varying costs of maintaining road networks in each province. The grant requires provinces to follow best practices for planning, and to use and regularly update roads 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. For 2022/23, the incentive portion will not be allocated to the provinces as the process of developing clear and objective criteria by the sector is being finalised. As a result, the incentive allocation will be reduced from the grant for 2022/23, reducing the overall baseline from R12.5 billion to R11.3 billion. The total allocation for the 2022 MTEF period is R38.2 billion. This includes R490 million in 2022/23 and R294 million in 2023/24 earmarked for KwaZulu-Natal for repairing provincial roads affected by natural disasters.

Part 5: Local government fiscal framework and allocations

This section outlines the transfers made to local government and how these funds are distributed between municipalities. Funds raised by national government are transferred to municipalities through conditional and unconditional grants. National transfers to municipalities are published to enable them to plan fully for their 2022/23 budgets, and to promote better accountability and transparency by ensuring that all national allocations are included in municipal budgets. Over the 2022 MTEF period, R481.3 billion will be transferred directly to local government and a further R25.4 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 10.3 per cent of national non-interest expenditure.

Table W1.24 Transfers to local government

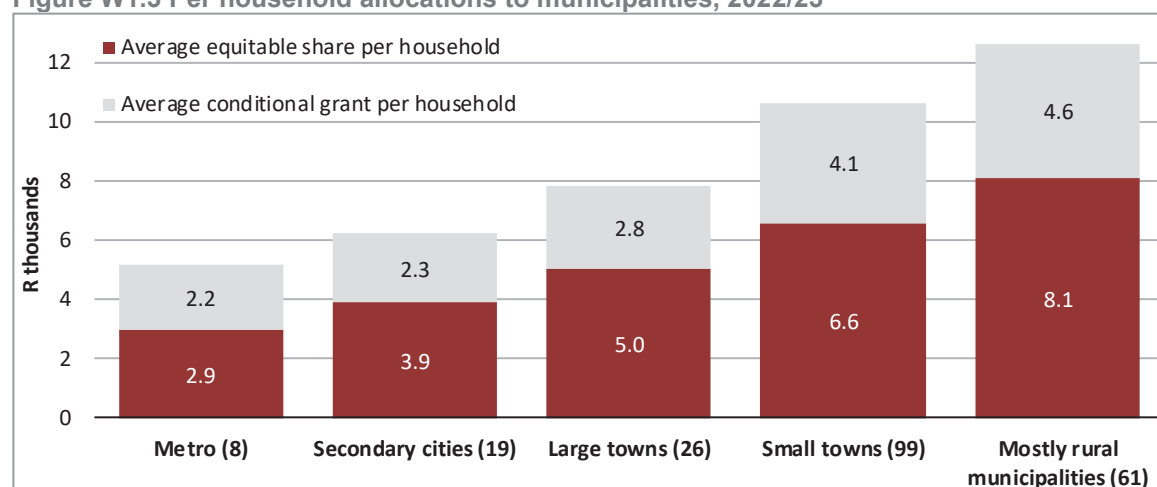
	2018/19	2019/20 Outcome	2020/21	2021/22 Adjusted budget	2022/23	2023/24	2024/25
R million					Medium-term estimates		
Direct transfers	118 488	122 986	137 098	137 585	150 630	160 514	170 147
Equitable share and related	60 758	65 627	83 102	77 999	87 311	94 087	101 486
Equitable share formula ¹	55 072	59 301	76 482	71 028	80 023	86 491	93 556
RSC levy replacement	4 795	5 357	5 652	5 963	6 249	6 524	6 817
Support for councillor remuneration and ward committees	891	969	969	1 009	1 040	1 071	1 114
General fuel levy sharing with metros	12 469	13 167	14 027	14 617	15 335	15 433	16 127
Conditional grants	45 262	44 191	39 969	44 969	47 983	50 994	52 534
Infrastructure	43 568	42 322	37 901	42 636	45 571	48 551	49 982
Capacity building and other	1 694	1 870	2 068	2 333	2 412	2 442	2 552
Indirect transfers	6 358	5 591	4 194	7 727	8 055	8 481	8 862
Infrastructure	6 266	5 480	4 074	7 592	7 915	8 335	8 709
Capacity building and other	92	111	120	135	140	147	153
Total	124 846	128 576	141 292	145 313	158 685	168 995	179 010

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

Source: National Treasury

The local government fiscal framework responds to the constitutional assignment of powers and functions to this sphere of government. The framework refers to all resources available to municipalities to meet their expenditure responsibilities. National transfers account for a relatively small proportion of the local government fiscal framework, with the majority of local government revenues being raised by municipalities themselves through their substantial revenue-raising powers. However, each municipality varies dramatically, with poor rural municipalities receiving most of their revenue from transfers, while urban municipalities raise the majority of their own revenues. This differentiation in the way municipalities are funded will continue in the period ahead. As a result, transfers per household to the most rural municipalities are more than twice as large as those to metropolitan municipalities.

Figure W1.3 Per household allocations to municipalities, 2022/23*



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

Source: National Treasury

Changes to local government allocations

Allocations to local government increase by R31.5 billion relative to the indicative allocations in the 2021 Budget. No fiscal consolidation reductions were proposed in the 2021 MTBPS. However, as a result of the additional allocations due to higher-than-expected revenue collection by the South African Revenue Service in 2021/22, and further increases in tax revenue estimates over the 2022 MTEF period, the growth in direct conditional grants allocations over the next three years is just above inflation, at an average annual rate of 5.3 per cent. The growth in indirect grants is slightly above inflation, at an annual average rate of 4.7 per cent.

The changes to each local government allocation are summarised in Table W1.25.

Table W1.25 Revisions to direct and indirect transfers to local government

R million	2022/23	2023/24	2024/25	2022 MTEF total revisions
Technical adjustments	–	–	–	–
Direct transfers	–	–	–	–
Local government equitable share	–	–	–	–
Equitable share formula	1	10	17	28
Support for councillor remuneration and ward committees	-1	-10	-17	-28
Municipal infrastructure	-10	–	–	-10
Integrated urban development	10	–	–	10
Indirect transfers	–	–	–	–
Additions to baselines	5 294	12 204	15 059	32 557
Direct transfers	4 227	10 517	14 163	28 907
Local government equitable share	4 227	10 517	14 163	28 907
Equitable share formula	4 227	10 517	14 163	28 907
Conditional grants	1 067	1 687	896	3 650
Neighbourhood development partnership	800	856	–	1 656
Public transport network	–	–	621	621
Regional bulk infrastructure	241	511	275	1 026
Municipal disaster recovery	26	321	–	347
Indirect transfers	–	–	–	–
Reductions to baselines	-907	-113	–	-1 020
Direct transfers	-762	-113	–	-875
Local government equitable share	–	–	–	–
General fuel levy sharing	–	–	–	–
Conditional grants	-762	-113	–	-875
Municipal infrastructure grant	–	–	–	–
Public transport network	-754	-105	–	-859
Neighbourhood development partnership	–	–	–	–
Energy efficiency and demand-side management	-8	-8	–	-16
Indirect transfers	-145	–	–	-145
Regional bulk infrastructure	-95	–	–	-95
Integrated national electrification programme	-50	–	–	-50
Total change to local government allocations				
Change to direct transfers	4 532	12 091	15 059	31 682
Change to indirect transfers	-145	–	–	-145
Net change to local government allocations	4 387	12 091	15 059	31 537

Source: National Treasury

Over the medium term, R1 billion is added to the direct *regional bulk infrastructure grant* for George Local Municipality to implement the potable water security and remedial works project. This is funded from the Budget Facility for Infrastructure.

Over the next two years, R1.7 billion is added to the direct *neighbourhood development partnership grant (capital)* to continue funding government's response to job losses due to the impacts of the COVID-19 pandemic. This is funded from the presidential employment initiative.

An amount of R347 million is allocated over the next two years to fund the introduction of the *municipal disaster recovery grant*. The grant is introduced to fund the repair of municipal infrastructure in KwaZulu-Natal that was damaged by natural disasters that took place between October 2019 and January 2020.

Reprioritisations are made within the vote of the Department of Mineral Resources and Energy, affecting two grants: R8 million in 2022/23 and 2023/24, respectively, is reprioritised from the *energy efficiency and demand-side management grant* and R50 million in 2022/23 is reprioritised from the *integrated national electrification programme (Eskom) grant*. The details are discussed under the individual grants.

The local government equitable share

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

Over the 2022 MTEF period, the local government equitable share, including the Regional Service Council/Joint Service Board (*RSC/JSB levies replacement grant* and *special support for councillor remuneration and ward committees grant*), amounts to R282.9 billion (R87.3 billion in 2022/23, R94.1 billion in 2023/24 and R101.5 billion in 2024/25). Due to additional allocations to local government following higher-than-projected tax revenue estimates as a result of the commodity boom, the local government equitable share grows at an average annual rate of 10.3 per cent over the next three years.

Formula for allocating the local government equitable share

The portion of national revenue allocated to local government through the equitable share is determined in the national budget process and endorsed by Cabinet (the vertical division). Local government's equitable share is divided among the country's 257 municipalities, using a formula to ensure objectivity (the horizontal division). The principles and objectives of the formula are set out in detail in the Explanatory Memorandum to the 2013 Division of Revenue.

Structure of the local government equitable share formula

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

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

- The third part of the formula provides predictability and stability through the *correction and stabilisation factor*, which ensures that all of the formula's guarantees can be met.

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

Structure of the local government equitable share formula

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

where

LGES is the local government equitable share

BS is the basic services component

I is the institutional component

CS is the community services component

RA is the revenue adjustment factor

C is the correction and stabilisation factor

The basic services component

This component helps municipalities provide free basic water, sanitation, electricity and refuse removal services to households that fall below an affordability threshold. Following municipal consultation, the formula's affordability measure (used to determine how many households need free basic services) is based on the level of two state old age pensions. When the 2011 Census was conducted, the state old age pension was worth R1 140 per month, which means that two pensions were worth R2 280 per month. A monthly household income of R2 300 per month in 2011 has therefore been used to define the formula's affordability threshold. Statistics South Africa has calculated that 59 per cent of all households in South Africa fall below this income threshold. However, the proportion in each municipality varies widely. In 2022 terms, this monthly income is equivalent to about R4 010 per month. This threshold is not an official poverty line or a required level to be used by municipalities in their own indigence policies. If municipalities choose to provide fewer households with free basic services than they are funded for through the local government equitable share, then their budget documentation should clearly set out why they have made this choice and how they have consulted with their community during the budget process.

The number of households per municipality, and the number below the poverty threshold, is updated annually. The number of households per municipality used to calculate indicative allocations for the outer years of the MTEF period is updated based on the growth experienced between the 2001 Census and the 2016 Community Survey. Provincial growth rates are then rebalanced to match the average annual provincial growth reported between 2002 and 2020 in the annual General Household Survey. Statistics South Africa has advised the National Treasury that, in the absence of official municipal household estimates, this is a credible method of estimating the household numbers per municipality needed for the formula. Statistics South Africa is researching methods for producing municipal-level data estimates, which may be used to inform equitable share allocations in future.

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

The basic services subsidy is typically allocated to 100 per cent of households that fall below the poverty threshold. However, due to baseline reductions over the years, 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. However, 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:

- 10.9 million households in 2022/23.
- 11.2 million households in 2023/24.

- 11.5 million households in 2024/25.

The basic services component provides a subsidy of R488.42 per month in 2022/23 for the cost of providing basic services to each of these households. The subsidy includes funding for the provision of free basic water (six kilolitres per poor household per month), energy (50 kilowatt-hours per month) and sanitation and refuse removal (based on service levels defined by national policy). The monthly amount provided for each service is detailed in Table W1.26 and includes an allocation of 10 per cent for service maintenance costs.

Table W1.26 Amounts per basic service allocated through the local government equitable share, 2022/23

	Allocation per household below affordability threshold (R per month)			Total allocation per service (R million)
	Operations	Maintenance	Total	
Energy	96.3	10.70	107.04	13 997
Water	151.4	16.82	168.22	21 998
Sanitation	104.4	11.60	115.95	15 163
Refuse removal	87.5	9.72	97.20	12 711
Total basic services	439.6	48.84	488.42	63 869

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 W1.26 is updated annually based on the following factors.

The electricity cost estimate is made up of bulk and other costs. Bulk costs are updated based on the bulk multi-year price determination approved by the National Energy Regulator of South Africa. Eskom requested approval for municipal bulk tariff increases of 20.5 per cent in 2022/23, 15 per cent in 2023/24 and 10 per cent in 2024/25. The regulator rejected this revenue application at the end of September 2021 and in October 2021 Eskom filed an application in the High Court to review this decision. The High Court review requires the regulator to urgently finalise and approve the Eskom revenue application for at least one year, as required by law. The timeframes for the review allow for a decision to be made in time for implementation by 1 April 2022 but not prior to the finalisation of the Budget. As the bulk price increase for 2022 will only be announced after the Budget is finalised, the equitable share formula continues to use the 8.9 per cent bulk tariff increase that was used when the baseline for this year was calculated in the 2021 MTEF period. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2021 MTBPS.

The water cost estimate is also made up of bulk and other costs. Bulk costs are updated based on the average increase in bulk tariffs charged by water boards (although not all municipalities purchase bulk water from water boards, their price increases serve as a proxy for the cost increases for all municipalities). The average increase in tariffs for bulk water from water boards in 2021/22 was 7.9 per cent. As the bulk price increase for 2022 will only be announced after the 2022 Budget is tabled, the equitable share formula continues to use the 10.5 per cent bulk tariff increase that was used when the baseline for this year was calculated in the 2021 MTEF period. Other costs are updated based on the National Treasury's inflation projections in the 2021 MTBPS.

The costs for sanitation and refuse removal are updated based on the National Treasury's inflation projections in the 2021 MTBPS.

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

The basic services component

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

Funding for each basic service is allocated to the municipality (metro, district or local) that is authorised to provide that service. If another municipality provides a service on behalf of the authorised municipality, it must transfer funds to the provider in terms of section 28 of the Division of Revenue Act. The basic services component is worth R63.9 billion in 2022/23 and accounts for 79.8 per cent of the value of the local government equitable share formula allocation.

The institutional component

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

In 2022/23, this component consists of a base allocation of R8 million, which goes to every municipality, and an additional amount that is based on the number of council seats in each municipality. From 2022/23, the number of council seats is updated to reflect the councillor numbers that took effect on the date of the 2021 local government elections. This reflects the relative size of a municipality's administration and is not intended to fund the costs of councillors only (the Minister of Cooperative Governance and Traditional Affairs determines the number of seats recognised for the formula). The base allocation acknowledges that there are some fixed costs that all municipalities face.

The institutional component

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

The institutional component accounts for 8.1 per cent of the equitable share formula and is worth R6.5 billion in 2022/23. 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.

The allocation for this component is split between district and local municipalities, which both provide community services. In 2022/23, the allocation to district municipalities for municipal health and related services is R11.27 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 12.1 per cent of the equitable share formula and is worth R9.7 billion in 2022/23.

The revenue adjustment factor

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

formula to ensure that the funds assist municipalities that are least likely to be able to fund these functions from their own revenue.

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

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

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

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

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

Correction and stabilisation factor

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

Ensuring the formula balances

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

Details of new allocations

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

Other unconditional allocations

RSC/JSB levies replacement grant

Before 2006, district municipalities raised levies on local businesses through a Regional Services Council (RSC) or Joint Services Board (JSB) levy. This source of revenue was replaced in 2006/07 with the *RSC/JSB levies replacement grant*, which was allocated to all district and metropolitan municipalities based on the amounts they had previously collected through the levies. The *RSC/JSB levies replacement grant* for metropolitan municipalities has since been replaced by the sharing of the general fuel levy. The *RSC/JSB levies replacement grant* is allocated R19.6 billion over the 2022 MTEF period.

In 2022/23, the grant increases by 6.6 per cent for district municipalities authorised for water and sanitation and 2.2 per cent for unauthorised district municipalities. The different rates recognise the various service-delivery responsibilities of these district municipalities.

Special support for councillor remuneration and ward committees

Councillors' salaries are subsidised in poor municipalities. As indicated above, from 2022/23, the number of councillors per municipality is updated to reflect the councillor numbers that took effect on the date of the 2021 local government elections. The total value of the support provided in 2022/23 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 Cooperative Governance and Traditional Affairs, which classifies municipal councils into six grades based on their total income and population size. Special support is provided to the lowest three grades of municipal councils (the smallest and poorest municipalities).

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

Conditional grants to local government

National government allocates funds to local government through a variety of conditional grants. These grants fall into two main groups: infrastructure and capacity building. The total value of conditional grants directly transferred to local government increases from R48 billion in 2022/23 to R51 billion in 2023/24 and R52.5 billion in 2024/25.

There are four types of local government conditional grants:

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

Infrastructure conditional grants to local government

National transfers for infrastructure, including indirect or in-kind allocations to entities executing specific projects in municipalities, amount to R169.1 billion over the 2022 MTEF period.

Table W1.27 Infrastructure grants to local government

R million	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Outcome			Revised budget	Medium-term estimates		
Direct transfers	43 568	42 322	37 901	42 636	45 571	48 551	49 982
Municipal infrastructure	15 288	14 816	14 491	15 593	16 842	17 595	18 385
Integrated urban development	–	857	936	1 009	1 085	1 123	1 173
Urban settlements development	11 306	11 655	10 572	7 405	7 352	7 676	8 021
Informal settlements upgrading partnership	–	–	–	3 945	4 181	4 365	4 561
Public transport network	6 287	6 370	4 389	5 175	6 013	6 689	7 720
Neighbourhood development partnership	569	592	479	1 318	1 393	1 475	647
Integrated national electrification programme	1 904	1 860	1 359	2 003	2 119	2 212	2 311
Rural roads asset management systems	108	114	108	110	115	115	121
Regional bulk infrastructure	1 963	2 029	2 006	2 237	2 521	2 892	2 763
Water services infrastructure	4 777	3 669	3 368	3 620	3 701	3 864	4 038
Municipal disaster recovery	1 151	133	–	–	26	321	–
Energy efficiency and demand-side management	215	227	193	221	223	224	243
Indirect transfers	6 266	5 480	4 074	7 592	7 915	8 335	8 709
Integrated national electrification programme	3 262	3 124	1 983	2 824	3 588	3 821	3 993
Neighbourhood development partnership	48	46	63	181	101	101	105
Water services infrastructure	581	548	305	730	771	805	841
Regional bulk infrastructure	2 375	1 761	1 724	3 857	3 455	3 607	3 769
Total	49 834	47 801	41 975	50 228	53 487	56 886	58 691

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 R52.8 billion over the medium term and grow at an average annual rate of 5.6 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 below.

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

- C** Constant to ensure a minimum allocation for small municipalities (this allocation is made to all municipalities)
- B** Basic residential infrastructure (proportional allocations for water supply and sanitation, roads and other services such as street lighting and solid waste removal)
- P** Public municipal service infrastructure (including sport infrastructure)
- E** Allocation for social institutions and micro-enterprise infrastructure
- N** Allocation to the 27 priority districts identified by government

Allocations for the water and sanitation sub-components of the basic services component are based on the proportion of the national backlog for that service in each municipality. Other components are based on the proportion of the country's poor households located in each municipality. The formula considers poor households without access to services that meet sector standards to be a backlog.

Table W1.28 Data used in the municipal infrastructure grant formula

Component	Input for horizontal calculation	Proxy used in 2022 (corresponding with data)
B	Number of water backlogs	Water access: Poor households ¹ 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 W1.29 sets out the proportion of the grant accounted for by each component of the formula.

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

Table W1.29 Municipal infrastructure grant allocations per sector

Municipal infrastructure grant (formula)	Component weights	Value of component 2022/23 (R million)	Proportion of municipal infrastructure grant per sector
B-component	75.0%	11 602	68.9%
Water and sanitation	54.0%	6 265	37.2%
Roads	17.3%	2 001	11.9%
Other	3.8%	435	2.6%
P-component	15.0%	2 320	13.8%
Sports	33.0%	766	4.5%
E-component	5.0%	773	4.6%
N-component	5.0%	773	4.6%
Constant		1 130	6.7%
Ring-fenced funding for sport infrastructure		243	1.4%
Total		16 842	100.0%

Source: National Treasury

The *municipal infrastructure grant* includes an amount allocated outside of the grant formula and earmarked for specific sport infrastructure projects identified by the Department of Sport, Arts and Culture. These earmarked funds amount to R749 million over the MTEF period (R243 million in 2022/23 and R253 million each year of the two outer years of the 2022 MTEF period). In addition, municipalities are required to spend a third of the P-component (equivalent to 4.5 per cent of the grant) on sport and recreation infrastructure identified in their own integrated development plans. Municipalities are also encouraged to increase their investment in other community infrastructure, including cemeteries, community centres, taxi ranks and marketplaces.

In 2021/22 municipalities were allowed to use up to 5 per cent of their allocations to fund the development of infrastructure asset management plans. This was 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 had to submit a business plan to the Department of Cooperative Governance, accompanied by a copy of their audited asset register.

Despite this and other measures implemented to support municipalities, poor performance remains prevalent in this grant with 39 (18 per cent) municipalities that receive funds from this grant having spent less than 70 per cent of their cumulative grant allocations over the past four financial years (2017/18–2020/21). For this reason, over the 2022 MTEF period, the department will introduce an indirect component of the grant allowing the department to directly appoint an implementation agent to expedite the implementation of infrastructure projects on behalf of the identified municipalities. Further details regarding the criteria that will be used, including the conditions, and 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. It is intended to:

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

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

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

- Management stability (low vacancy rates among senior management).
- Audit findings.
- Unauthorised, irregular, fruitless and wasteful expenditure.
- Capital expenditure.
- Reporting in terms of the Municipal Finance Management Act.

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

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

Table W1.30 Performance-based component weighted indicators for integrated urban development grant

Indicators	Purpose	Weight	Scores
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 2022/23		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 2022/23		Linear scale in between

Source: National Treasury

The total allocations for this grant amount to R3.4 billion over the 2022 MTEF period and grow at an average annual rate of 5.2 per cent.

Table W1.31 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	3 674	20%	30%	20%	–	15%	21 022	24 697	
Drakenstein	1 193	20%	20%	30%	–	15%	21 022	22 216	
Mogale City	4 029	10%	30%	20%	–	13%	18 019	22 049	
Polokwane	11 680	10%	20%	20%	–	11%	15 016	26 696	
Ray Nkonyeni	2 107	10%	10%	10%	–	7%	9 010	11 117	
Sol Plaatje	1 700	10%	30%	0%	–	9%	12 013	13 713	
Stellenbosch	1 215	40%	10%	30%	–	17%	24 026	25 241	
Steve Tshwete	1 698	30%	10%	20%	–	13%	18 019	19 717	
Total	27 298					100%	138 147	165 445	

Source: Department of Cooperative Governance

Urban settlements development grant

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

The grant is allocated R7.4 billion in 2022/23, R7.7 billion in 2023/24 and R8 billion in 2024/25. The allocation per municipality is based on the *municipal infrastructure grant* formula. Up to 3 per cent of the grant may be used to fund municipal capacity in the built environment in line with the Department of Human Settlements' capacity-building guideline.

Informal settlements upgrading partnership grant

Upgrading informal settlements remains a priority over the medium term. The *informal settlements upgrading partnership grant* is allocated R4.2 billion in 2022/23, R4.4 billion in 2023/24 and R4.6 billion in 2024/25. Informal settlements upgrading 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 informal settlements upgrading strategies.

Programme and project preparation support grant

The *programme and project preparation support grant* supports 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 and the allocation of a growing level of municipal resources for preparation activities. The grant is allocated R1.1 billion over the 2022 MTEF period and grows at an average annual rate of 4.9 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 R20.4 billion over the medium term. The grant has been reduced by R754 million in 2022/23 and R105 million in 2024/25. These reductions are aligned to the City of Cape Town's revised implementation plan and cashflow projections for the MyCiTi public transport network, funded through the Budget Facility for Infrastructure through this grant. This grant grows at an annual average rate of 14.3 per cent over the 2022 MTEF period.

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

To qualify for an allocation from the performance incentive, a city must have an operational municipal public transport system approved by the national Department of Transport and it must have spent more than 80 per cent of its grant allocation in the previous financial year. Incentive allocations are then calculated based on the coverage of costs from fares, passenger trips and the city's own financial commitment to the system. Cities must exceed the minimum threshold in at least one of these three indicators. The calculation of the performance incentive allocations for 2022/23 is set out in Table W1.32. The raw scores for the cities are weighted using the sum of the base and formula components to account for the size of the city.

Table W1.32 Public transport network grant

	Oper- ational public transport system	Grant spent in 2020/21	Eligible for incentive	Coverage of direct costs from farebox	Average weekday passenger trips (% of populatio	City's contri- bution (% of property rates)	Raw scores for incentive	Incentive allocation for 2022/23 (R 000)
Minimum threshold	Yes	80%		35.0%	1.0%	2.0%		
City of Cape Town	Yes	96%	Yes	24.3%	1.05%	9.2%	0.196	159 469
City of Johannesburg	Yes	100%	Yes	18.3%	1.16%	3.9%	0.064	70 331
City of Tshwane	Yes	95%	Yes	6.9%	0.03%	1.6%	–	–
Ekurhuleni	Yes	100%	Yes	3.8%	0.06%	0.0%	–	–
eThekweni	No	100%	No	0.0%	0.00%	0.0%	–	–
George	Yes	89%	Yes	18.0%	5.13%	5.0%	0.397	54 095
Mangaung	No	100%	No	0.0%	0.00%	0.0%	–	–
Nelson Mandela Bay	Yes	61%	No	6.7%	0.18%	2.4%	–	–
Polokwane	No	80%	No	0.0%	0.00%	0.0%	–	–
Rustenburg	No	96%	No	0.0%	0.00%	0.0%	–	–
Total							1	283 895

Source: National Treasury

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

Table W1.33 sets out how the final allocation for each municipality is determined, taking account of both the formula and incentive components.

Table W1.33 Formula for the public transport network grant

	Base 20%	Demand-driven factors 75%			Subtotal: base and demand- driven factors	Perfor- mance 5%	Fiscal consolida- tion reduc- tions	100%
	Equally shared	Populatio n compo- nent shares	Regional gross value added compo- nent shares	Public transport users compo- nent shares		Incentive compo- nent (R 000)		Grant alloca- tions ¹ (R 000)
City of Cape Town	7.7%	16.3%	15.8%	13.9%	15.2%	159 469	–	979 261
City of Johannesburg	7.7%	19.3%	25.2%	20.5%	20.6%	70 331	–	1 181 159
City of Tshwane	7.7%	12.7%	15.0%	14.0%	14.0%	–	–	753 681
Ekurhuleni	7.7%	13.8%	9.5%	14.9%	13.0%	–	–	702 334
eThekweni	7.7%	15.0%	15.8%	18.0%	16.0%	–	–	863 393
George	7.7%	0.8%	0.5%	0.2%	2.5%	54 095	–	191 410
Mangaung	7.7%	3.3%	2.4%	3.2%	4.6%	–	–	249 894
Nelson Mandela Bay	7.7%	5.0%	4.7%	3.6%	5.9%	–	–	318 543
Polokwane	7.7%	2.7%	1.5%	1.3%	3.7%	–	–	199 496
Rustenburg	7.7%	2.4%	3.5%	2.3%	4.4%	–	–	238 721
Unallocated incentive								
Total	100.0%	100.0%	100.0%	100.0%	100.0%	283 895	–	5 677 892

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

Source: National Treasury

In addition to the formula and performance incentive, R621 million 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 Budget Facility for Infrastructure. The facility seeks to support quality public investments through robust project appraisal, effective project development and execution, and sustainable financing arrangements. The process includes engaging with relevant stakeholders, the National Treasury and the Presidential Infrastructure Coordinating Commission. The amount allocated for the MyCiTi network over the 2022 MTEF period is aligned to the revised implementation plan and cashflow projections for the project.

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, has identified a cohort of non-metropolitan municipalities to implement new projects as part of this grant. The National Treasury will partner with these municipalities to identify, plan and implement infrastructure upgrades in targeted urban hub precincts. The grant is allocated R3.8 billion over the 2022 MTEF period, made up of R3.5 billion for the direct capital component and R307 million for the indirect technical assistance component. This allocation includes an additional allocation of R1.7 billion over the 2022 MTEF period for metropolitan municipalities to continue to create jobs through labour-intensive projects as part of government's response to the impacts of COVID-19.

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.

The direct component of this grant is allocated R11.6 billion over the 2022 MTEF period. The indirect component has a total allocation of R2.4 billion over the medium term.

Regional bulk infrastructure grant

This grant supplements the financing of the social component of regional bulk water and sanitation infrastructure. It targets projects that cut across several municipalities or large bulk projects within one municipality. The grant funds the bulk infrastructure needed to provide reticulated water and sanitation services to individual households. It may also be used to appoint service providers to carry out feasibility studies, related planning or management studies for infrastructure projects. 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 has a total allocation of R8.2 billion over the 2022 MTEF period. This includes additional amounts of R241 million in 2022/23, R511 million in 2023/24 and R275 million in 2024/25 allocated to George Local Municipality from the Budget Facility for Infrastructure to fund the continued implementation of the potable water security and remedial works project approved in the 2021 MTBPS. The indirect component has a total allocation of R10.8 billion over the 2022 MTEF period and the grant declines at an annual average rate of 0.8 per cent.

Integrated national electrification programme grants

These grants aim to provide capital subsidies to municipalities to provide electricity to poor households and fund bulk infrastructure to ensure a constant supply of electricity. Allocations are based on the backlog of households without electricity and administered by the Department of Mineral Resources and Energy. The grant only funds bulk infrastructure that serves poor households. The national electrification programme has helped provide 91 per cent of all poor households with access to electricity, as reported in the 2016 Community Survey (up from the 85 per cent reported in the 2011 Census). To sustain this progress, government will spend R18 billion on the programme over the 2022 MTEF period.

The *integrated national electrification programme (municipal) grant* has a total allocation of R6.6 billion over the 2022 MTEF period and grows at an average annual rate of 4.9 per cent. The *integrated national electrification programme (Eskom) grant* is allocated R11.4 billion over the medium term and grows at an average annual rate of 12.2 per cent. It is reduced by R50 million in 2022/23 to fund other government priorities. The reductions to this grant are equivalent to 0.6 per cent of the grant's baseline in 2022/23.

Energy efficiency and demand-side management grant

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

National Climate Change Response Strategy and the United Nations Framework Convention on Climate Change.

This approach will also allow municipalities to benefit from donor financing. A Guarantee Fund from the Nationally Appropriated Mitigation Action Facility has been jointly established with funding from the German and United Kingdom governments to help private energy service companies obtain loans to implement the Energy Efficiency in Public Infrastructure and Building Programme. The programme will have significant long-term effects on energy savings, carbon emissions and the market for energy-efficient technologies. The grant is allocated R690 million over the medium term. The baseline reductions of R16 million to this grant are equivalent to 3.5 per cent of the grant's baseline in 2022/23 and 3.4 per cent in 2023/24. There are no baseline adjustments in 2024/25.

Rural roads asset management systems grant

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

The Department of Transport will continue to work with the *municipal infrastructure grant* administrators to ensure that municipal roads projects are chosen, prioritised and approved using roads asset management systems data wherever possible. This grant is allocated R115 million in 2022/23 and 2023/24 respectively and R121 million in 2024/25.

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*. Over the first two years of the 2022 MTEF period, this grant is allocated R347 million: R26 million in 2022/23 and R321 million in 2023/24. This allocation will fund the repair of municipal infrastructure in KwaZulu-Natal damaged by various natural disasters. Applications to fund recovery projects through this grant following more recent disasters will be finalised in the next budget process, including the adjustments budget process, as additional allocations may be made to the grant in future.

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 R7.8 billion is allocated to capacity-building grants and other current transfers to local government over the medium term.

Table W1.34 Capacity building and other current grants to local government

R million	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Outcome			Revised budget	Medium-term estimates		
Direct transfers	1 670	1 870	2 068	2 333	2 412	2 442	2 552
Municipal disaster response	–	–	151	359	371	373	389
Municipal emergency housing	38	147	166	168	175	183	191
Infrastructure skills development	141	149	144	155	159	160	167
Local government financial management	505	533	545	552	566	569	594
Programme and project preparation support	294	310	314	341	361	377	394
Expanded public works programme integrated grant for municipalities	693	730	748	759	778	781	816
Indirect transfers	92	111	120	135	140	147	153
Municipal systems improvement	92	111	120	135	140	147	153
Total	1 762	1 981	2 187	2 469	2 552	2 589	2 705

Source: National Treasury

Local government financial management grant

The *local government financial management grant*, managed by the National Treasury, funds the placement of financial management interns in municipalities and the modernisation of financial management systems. This includes building in-house municipal capacity to implement multi-year budgeting, linking integrated development plans to budgets, and producing quality and timely in-year and annual reports. The grant supports municipalities in the implementation of the Municipal Finance Management Act and provides funds for the implementation of the municipal standard chart of accounts. This grant prioritises supporting municipalities with challenges in processes, procedures and systems to effectively implement the Act, to improve compliance and areas of weakness identified in the financial management capability maturity model. Total allocations to this grant amount to R1.7 billion over the 2022 MTEF period, with an allocation of R566 million in 2022/23, R569 million in 2023/24 and R594 million in 2024/25.

Infrastructure skills development grant

The *infrastructure skills development grant* develops capacity within municipalities by creating a sustainable pool of young professionals with technical skills in areas such as water, electricity and town planning. The grant places interns in municipalities so that they can complete the requirements of the relevant statutory council within their respective built environment fields. The interns can be hired by any municipality at the end of their internship. 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. In addition, a shared services model should exist between municipalities to ensure an effective management of the grant. Total allocations for this grant amount to R486 million over the 2022 MTEF period, with an allocation of R159 million in 2022/23, R160 million in 2023/24 and R167 million in 2024/25.

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 R440 million over the 2022 MTEF period and grow at an average annual rate of 4.2 per cent.

Over the next three years, the grant will allocate a third of the grant's baseline to continue to support the institutionalisation of the district development model adopted by Cabinet in August 2019. The model is a method of government operating in unison, focusing on the municipal district and metropolitan spaces as the impact areas of joint planning, budgeting and implementation. In 2022/23, the grant will fund:

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

Over the 2022 MTEF period, R60 million or 14 per cent of the grant's baseline is unallocated. This amount will be used to fund the rollout of a prototype staff establishment project and support municipalities in the rollout of training on municipal staff regulations. These regulations provide a uniform framework that seeks to ensure that only people with professional and technical skills are appointed across municipalities based on fair, efficient, effective and transparent human resource management systems.

EPWP integrated grant for municipalities

This grant promotes the use of labour-intensive methods in delivering municipal infrastructure and services. To determine eligibility for funding, municipalities must have reported performance on the EPWP, including performance in the infrastructure, social and environment and culture sectors and on the full-time equivalent jobs created in these sectors in the last 18 months. A formula then determines allocations on the basis of this performance as well as the labour intensity of the work opportunities created. The number of bands in which labour intensity is recorded in the formula have been expanded from seven to eight, providing an incentive for labour-intense projects to further increase their intensity. The formula is weighted to give larger allocations to rural municipalities. The grant is allocated R2.4 billion over the MTEF period, with an allocation of R778 million in 2022/23, R781 million in 2023/24 and R816 million in 2024/25.

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 2022 MTEF period, R1.1 billion is available for disbursement through this grant: R371 million in 2022/23, R373 million in 2023/24 and R389 million in 2024/25. There are no budget adjustments to the grant's baseline over the period, and the grant grows at an average growth rate of 2.8 per cent. To ensure that sufficient funds are available for disaster response, 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 emergency housing grant

The *municipal emergency housing grant* is intended to enable the Department of Human Settlements to rapidly respond to emergencies by providing temporary housing and repairs in line with the Emergency Housing Programme. The grant is limited to funding emergency housing and repairs following the immediate aftermath of a disaster, and not the other emergency situations listed in the programme. Over the 2022 MTEF period, R550 million is available for disbursement through this grant.

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

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

This part of the annexure describes the main areas of work to be undertaken during 2022/23 as part of the ongoing review and refinement of the intergovernmental fiscal framework. Provinces and municipalities will be consulted on all proposed changes.

Cross-cutting reforms

Improving intergovernmental coordination on infrastructure investment

Public infrastructure investments can play a major role in transforming South Africa's spatial development patterns. This requires a significant improvement in intergovernmental coordination in planning and budgeting for infrastructure. The National Treasury is working with provinces to ensure that their investments in schools, roads, health facilities and housing are made in locations that align with the spatial development plans of municipalities. Municipalities must be consulted and agree on the location and bulk services requirements of all provincial infrastructure projects. Joint planning sessions have been held between provinces and municipalities, and support in this area will continue in 2022/23. National departments will also be supported to participate in intergovernmental planning and to review sector policies and funding strategies to promote better alignment with spatial development frameworks. This is in line with the Cabinet-approved district development model. Since then, the National Treasury has enhanced the infrastructure reporting tool to show budgets and expenditures for social projects implemented by provinces according to location (district, local or city). This is essential for data analysis and transparency, as well as for achieving value for money, as it allows one to see which localities are prioritised more by particular sectors.

In 2022/23, the National Treasury will review provincial infrastructure sector funding policies and propose how grants, incentives and other funding sources can best be structured to strengthen funding coordination to achieve spatial development objectives. The next step entails including long-term infrastructure projects across the three spheres of government that have not yet been approved (this will occur in 2022 and be implemented in 2023) to ensure the appropriateness of projects that must be undertaken in accordance with metropolitan spatial development frameworks. The aim is to consolidate infrastructure investment by the whole of government, both for projects whose budgets have already been approved and those whose budgets have not yet been approved.

In 2022/23, the National Treasury will continue to work with the National Disaster Management Centre to review the funding of disaster response and recovery activities. Climate change will make extreme weather events more common, and the disaster funding system needs to adapt to this new reality. The current system is designed to allow for the rapid release of funds following the declaration of a disaster. In addition to addressing the problems and inefficiencies within the existing system, the review must consider how to place greater emphasis on being prepared before disasters occur. The system also needs to be adapted to respond better to long-running disasters such as drought conditions that may last for several years. For the 2021 Budget, this review has culminated in government relaxing the requirement for funds from the disaster grants to be used only after a disaster has been declared. For the initial response, funds may now be released when a disaster is classified. This is to allow for a quick response to the disaster; however, for significant or long-term disasters, a declaration is required to use resources from the disaster grant. Furthermore, in the 2022 Division of Revenue Bill reforms have been made to allow for the Minister of Finance to approve, if it cannot reasonably be delayed, unforeseeable and unavoidable expenditure provided for in the contingency reserve.

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. The review of the health component was completed in 2021/22 and will be implemented from 1 April 2022. In 2022/23 the review will focus on:

- Implementing the updated risk-adjusted factor within the health component.
- Working with the Department of Basic Education to develop options for how to account for the different funding needs of different types of schools and learners.

Preparing for national health insurance implementation

Government continues to prepare for the implementation of national health insurance. The implications that establishing the National Health Insurance Fund and increasingly channelling health budgets via this fund are likely to have for provincial finances are being discussed through consultative structures like the Technical Committee on Finance. In parallel, efforts to strengthen the health system will continue, including developing and piloting provider payment mechanisms, expanding the national insurance beneficiary registry, and purchasing and providing a prioritised set of health services. Government is also piloting a new quality improvement initiative within the non-personal services component of the *national health insurance indirect grant* that will help facilities meet the envisaged standards required for national health insurance accreditation. The experience gained from this pilot will inform future efforts to improve quality. From 2022/23, funding for mental health and oncology services will be shifted from the *district health programmes grant* to the direct *national health insurance grant* to closely align these allocations to the implementation of national health insurance, for which they were originally intended.

Streamlining provincial conditional grants

In 2022, the National Treasury will work with the Department of Transport to ensure that the incentive component within the *provincial roads maintenance grant* is equitably allocated using the most recent road data available. Furthermore, the National Treasury will work with the Department of Basic Education to determine how to incorporate the *school infrastructure backlogs grant* into the *education infrastructure grant*. Given the creation of standalone informal settlements upgrading grants, government needs to review the human settlements grants that used to include allocations to informal settlement upgrading to determine programmes to be funded in those grants as such upgrading was a big component of the grants.

The role of provinces in promoting economic development

All three spheres of government must work with businesses and other relevant stakeholders to provide an enabling environment for faster and more inclusive economic growth. While the Economic Development Coordination Forum is reorganising following the merger of the Department of Economic Development into the Department of Trade, Industry and Competition, the National Treasury-led City Forum for Economic Development Managers is engaging provincial departments of economic development on issues of mutual interest every quarter to ensure coherence in policy implementation. The forum includes participants from provincial departments of economic development and their agencies; sector departments; the Department of Small Business Development; the Department of Cooperative Governance; the Presidency; the Department of Trade, Industry and Competition; financing institutions; metropolitan municipalities; secondary cities; and SALGA.

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.
- Working with Statistics South Africa to explore how new population estimates at municipal level can be incorporated into the formula updates.
- Conducting research to inform the review of the fairness of the equitable share formula and cost elements applied in the formula.

Review of local government infrastructure grants

The inability of municipalities to maintain and manage their infrastructure contributes to municipal service delivery failures. Although funding has been made available to municipalities to address the huge backlog of infrastructure needs, including changing grant conditions to allow funds to be spent on refurbishments, few municipalities have taken advantage of the provision. To help municipalities improve their asset management practices, the Budget Forum has endorsed the creation of an indirect component of the *municipal infrastructure grant* over the 2022 MTEF period, with 2022/23 being a pilot project. A precondition underpinning the in-year conversion is the existence of a capacity-building plan between the Department of Cooperative Governance and the identified municipalities. No funds will be allocated to this newly created indirect grant at the beginning of 2022/23, but funds may be transferred during the year once the Department of Cooperative Governance has identified municipalities that require this intervention.

Complementary to this process, the National Treasury, in collaboration with the Department of Cooperative Governance, will introduce a process to test the use of asset management indicators in the in-year stopping and reallocation process. To test the use of incentives in non-metropolitan municipalities in the short term without tampering with the allocation methodologies used in the annual determination of allocations, from 2022/23 onwards, the in-year stopping and reallocation process will take into account several non-financial performance indicators related to asset management to determine the reallocation of stopped funding. The process currently relies primarily on expenditure performance.

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

- Improving the administration of conditional grants by national departments.
- Further consolidating conditional grants.
- Increasing differentiation in the grant system, so that grants are well aligned to the different circumstances found across the country's 257 municipalities.
- Reviewing grant formulas to ensure that allocations are equitable across the different types of municipalities that receive allocations from differentiated grants, such as the *urban settlements development grant* (for metros), the *integrated urban development grant* (for intermediate cities) and the *municipal infrastructure grant*.
- Identifying ways to incorporate incentives for improved asset management into the grant system.

Review of the municipal capacity-building system

The National Treasury conducted a diagnostic study on the capacity-building system for local government during 2021. It found that the focus needs to shift from building capacity to a broader measure of developing capability. While capacity is closely linked to individual improvements – for example, developing skills – measures of capability consider a broader range of factors, including the environment in which the individual works and the systems and processes they use. Furthermore, the report revealed several data gaps, duplications in efforts and inconsistencies in the way programmes are designed and reported on across the three spheres of government, making it difficult to establish a common national approach to improving support. This has implications for the way the state designs support and the type of resources it provides to local government.

In 2022, the National Treasury is leading the second phase of the review in collaboration with the Department of Cooperative Governance and SALGA through a working group and a multi-departmental steering committee. In addition, extensive plans are in place for municipal consultation through workshops and focus groups. National and provincial sector departments will also be consulted. Using these inputs from national, provincial and municipal stakeholders, in addition to extensive data analysis and research into domestic and international literature, government is building an evidence base to inform policy decisions regarding changes to the capacity-building system.

It is envisaged that this collaborative and research-based process will introduce a clear structure for the capacity-building system. By October 2022, recommended proposals on how to improve the system's efficiency and effectiveness will be presented to the Budget Forum. After the Budget Forum and Cabinet have made changes and given approval, the proposals will be communicated clearly to all stakeholders before they are implemented, starting in the 2023 Budget.

Review of the environmental health services function

In 2021, the Department of Health, together with SALGA and the Department of Cooperative Governance and Traditional Affairs, hosted the World Environmental Health Day Commemoration and National Environmental Health Indaba. During the event, challenges relating to the provision and delivery of the environmental health services function were discussed. Following from these discussions, the World Environmental Health Day Commemoration and National Environmental Health Indaba Declaration on how these shortcomings can be addressed were adopted and signed. These statements outline various ways in which affected stakeholders (including the Department of Health, the Department of Cooperative Governance and Traditional Affairs, SALGA, and the National Treasury) can contribute to addressing the challenges that are encountered in rendering this function.

Due to a variety of factors, municipalities are unable to provide efficient, equitable and effective municipal health services. Climate change impacts and recent disease outbreaks will likely further increase environmental burdens of diseases, so environmental health systems should be strengthened to better prevent and manage disease outbreaks. To strengthen environmental health systems, in 2022, the stakeholders will focus on:

- Strengthening intergovernmental relations among environmental health authorities, as well as collaborations with communities, training institutions, non-governmental organisations and private businesses concerned with environmental health.
- Conducting a full costing analysis to inform budgeting for municipal health services.
- Improving the formula for allocating funds to municipalities for municipal health services to ensure that funds follow the function. District municipalities are currently allocated funds for municipal health services, but this function is sometimes performed by local municipalities, so the formula needs to be responsive to the various functions assigned to districts and local municipalities

Reforms to local government own revenue sources

Municipalities play a critical role in boosting economic growth and providing an enabling environment for job creation by providing well-maintained and functioning infrastructure services. However, municipalities are finding it increasingly difficult to build the infrastructure required for growth and to meet the demands

of rapid urbanisation. The National Treasury continues to explore how cities and other municipalities with a significant own revenue base can use a broader package of infrastructure financing sources to meet their developmental mandate. The National Treasury is implementing the reforms discussed below.

Development charges

Development charges are important components of a sustainable municipal infrastructure financing system, especially for cities and large urban municipalities, as they are used to finance land intensification. Despite their potential as an alternative option for financing infrastructure, municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. 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 new, uniform regulations for levying development charges, so strengthening municipalities' revenue-raising framework. This will allow municipalities to mobilise own revenue resources to fund their infrastructure needs and support economic growth.

The National Treasury commissioned public consultations for the Bill in 2020. The Presidency has furnished the National Treasury with a final Socio Economic Impact Assessment System Certification and recommended that the Bill be presented to Cabinet. The refined Bill was submitted to the Office of the State Law Advisors for a legal opinion. The Bill is presently being processed through the Cabinet processes with a view to obtaining approval to submit it to Parliament for further processing in 2022. The draft legislation is available on the National Treasury website: http://www.treasury.gov.za/legislation/draft_bills.

Municipal borrowing

The National Treasury has updated the original municipal borrowing policy framework. The updated policy proposes changes that aim to increase the term maturity of borrowing, improve the secondary market for the trade of municipal debt instruments, and define development finance institutions' role to avoid crowding out the private sector. The policy will be presented to Cabinet for approval in 2022.

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

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

Annexure W2: Frameworks for Conditional Grants to Provinces

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

Introduction

This annexure provides a brief description of the framework for the grants set out in Schedule 4, Part A; Schedule 5, Part A; Schedule 6, Part A; and Schedule 7, Part A of the 2022 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
- 2022 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving provincial departments
- Process for approval of business plans for 2023/24

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, 2022 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2022/23 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT GRANTS

Comprehensive Agricultural Support Programme Grant	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Land Reform and Rural Development (Vote 29)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To create a favourable and supportive agricultural services environment for the farming community, in particular subsistence and smallholder farmers within strategically identified grain, livestock and horticulture production areas
Grant purpose	<ul style="list-style-type: none"> • To provide effective 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
Outcome statements	<ul style="list-style-type: none"> • Broadened access to agricultural support for black subsistence and smallholder farmers • Increased number of sustainable and profitable black producers in horticulture, grains, livestock, fibre and aquaculture value chains • Improved productivity and farming efficiency of beneficiaries of the Comprehensive Agricultural Support Programme (CASP) • Reduced underutilisation of land in high potential areas in the state-owned land and former homelands • Improved systems required for the maintenance of a foot and mouth disease free status as prescribed by the World Organisation for Animal Health • Increased wealth creation and sustainable employment in rural areas • Increased access to formal and institutional markets by beneficiaries of CASP • Improved household and national food security • <u>Reliable and accurate agricultural information available for management decision making</u>
Outputs	<ul style="list-style-type: none"> • On and off-farm infrastructure provided and repaired, including agro-processing infrastructure • Number of farmers supported per category (subsistence, smallholder and commercial) and per commodity • 50 per cent women, 40 per cent youth and six per cent people living with disabilities (farmers supported per category) • Quantity of output (tons) produced by beneficiaries of CASP per commodity • Share of output (tons) marketed in the formal and informal markets as well as own consumption at home • Number of beneficiaries of CASP that are South African Good Agricultural Practices certified • Number of jobs created • Number of unemployed graduates placed on commercial farms • Number of beneficiaries of CASP trained on farming methods or opportunities along the value chain • Percentage of CASP beneficiaries with access to formal and institutional markets • Tracing system for animal identification and movement provided and maintained for cattle in the foot and mouth disease controlled areas of Limpopo, Mpumalanga and KwaZulu-Natal • Physical boundary between the foot and mouth disease free zone and the protection zone provided and maintained • Food and veterinary laboratory infrastructure, including quality systems accreditation, revitalised in eight provinces (except Gauteng) • Number of animals vaccinated for foot and mouth disease in Limpopo and Mpumalanga • Number of extension officers recruited and/or maintained in the system within identified production schemes • Number of extension officers trained or deployed to commodity organisations • Partnerships with commodity organisations
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Outputs indicators • Inputs • Key activities • Monitoring framework • Risks and mitigation strategies
Conditions	<ul style="list-style-type: none"> • At least 50 per cent of the project allocation must support infrastructure development for grain, livestock and horticultural production areas in partnership with the relevant commodity organisations • Provinces should prioritise and implement livestock production schemes especially those aligned to Kaonafatso ya Dikgomo and National Red Meat Development Programme in partnership with the Agricultural Research Council • 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.

Comprehensive Agricultural Support Programme Grant	
	<p>specialised technical support, joint funding, access to markets and joint implementation as outlined by the Dynamic Business Model)</p> <ul style="list-style-type: none"> • In cases where farmers requiring support are outside a commodity organisation agreement, their proposals received from the advertisement process must be approved by committees and authorities established by the province as outlined in the standard operating procedure • All assisted farmers should be listed or registered in the provincial and national farmer registers • At least 10 per cent of the project allocation must be spent on market access and development • At least six per cent of the project allocation must be spent on training and capacity building of farmers, and four per cent can be used for mentorship programme • At least 1000 unemployed agricultural graduates should be placed in commercial farms nationally as follows: <ul style="list-style-type: none"> ○ Gauteng and Northern Cape must place at least 80 graduates each ○ the remainder of the provinces must place at least 120 graduates each ○ all graduates must be employed at a rate of R87 000 per annum • The Department of Agriculture, Land Reform and Rural Development (DALRRD) will reprioritise the allocated funds on the following basis: <ul style="list-style-type: none"> ○ in the event of poor spending on the part of a province where poor spending is the result of poor planning or failure by service provider to meet contractual obligations ○ in the event of a disaster that affects the implementation of approved plans ○ provinces not adhering to the CASP standard operating procedure framework when implementing projects or implementing projects that are not approved by DALRRD • The provincial departments are to confirm human resources capacity to implement the CASP business plan by 31 March 2022 • The funds will be transferred as per the disbursement schedule approved by National Treasury • Provinces are to inform the transferring officer of any changes to the plans and allocations approved by the DALRRD within seven days of such a change, and such changes must be approved by the transferring officer before they are implemented • The provincial business plans must be signed-off by the heads of departments 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 • The signed business plan for CASP must be submitted to the DALRRD for approval • The allocations for agricultural colleges must only be used to revitalise infrastructure and equipment at these colleges, as determined in the business plan
Allocation criteria	<ul style="list-style-type: none"> • The formula used to allocate funds is a weighted average of the following variables: agricultural land area, households involved in agriculture (General Household Survey 2019 report), previous CASP performance and current benchmarks on production and national policy imperatives
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Agriculture is identified as a game changer and investment in agriculture must be guided under strict conditions to achieve the aspirations of the National Development Plan and the Agriculture and Agro-processing Master Plan
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R1.3 billion of which R79 million were approved rollovers and R1 billion (81 per cent) was spent <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 1 529 subsistence farmers supported • 6 103 smallholder farmers supported • 110 black commercial farmers supported • 11 441 beneficiaries were supported from 396 projects implemented, with 264 projects completed at the end of the financial year • 33 (eight per cent) supported projects were owned by youth and 53 (13 per cent) were owned by women • 42 per cent of beneficiaries supported were women, 15 per cent were youth and 0.3 per cent were people with disabilities • 10 agro-processing infrastructure projects delivered • 4 788 jobs created • foot and mouth disease control deliverables: 172 490 animals were vaccinated in Mpumalanga; 57 km boundary fence was erected in Limpopo and 4.4 km fencing to demarcate camps were erected in KwaZulu-Natal • 55 farms were audited for South African Good Agricultural Practices certification and 53 farms were certified, while 72 farms were re-certified • 55 per cent of the smallholder farmers supported had access to formal markets • 8 105 farmers were trained in targeted training programmes, 50 per cent trained were women, 46 per cent trained were youth and 0.4 per cent trained were people with disabilities • 633 beneficiaries of CASP were supported with mentorship • 669 agricultural graduates were placed on commercial farms for a period of two years as part of the youth entrepreneurial programme • 58 extension officers were recruited nationally and 206 maintained in the system

Comprehensive Agricultural Support Programme Grant	
	<ul style="list-style-type: none"> • 10 agricultural colleges upgrading infrastructure (ongoing)
Projected life	<ul style="list-style-type: none"> • Grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R1.6 billion; 2023/24: R1.6 billion and 2024/25: R1.7 billion
Payment schedule	<ul style="list-style-type: none"> • Four instalments: 13 May 2022, 26 August 2022, 28 October 2022 and 27 January 2023
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Agree on outputs and targets with provincial departments in line with grant objectives for 2022/23 • Provide the guidelines and criteria for the development, approval and implementation of business plans • Provide a template for project registration and reporting • Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly • Submit monthly financial reports to National Treasury 20 days after the end of the month • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit an annual evaluation of performance report to National Treasury within four months after the end of the financial year • Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Provinces to adhere to the conditions of this framework and the Division of Revenue Act • Provinces to submit a detailed project list and project profiles as per the DALRRD project list template • Provinces to implement the CASP business plans as approved • All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the Division of Revenue Act when executing projects as well as for reporting purposes • Provinces 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 • Submit quarterly project performance reports to DALRRD • Assign and delegate officials to manage and monitor the implementation of the programme before April 2022 • Keep a record of projects supported and a farmer register • Monitor project implementation on a quarterly basis and evaluate the impact of projects in achieving CASP goals • Provinces to adhere to the approved CASP standard operating procedure framework
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 27 May 2022 • Submission of provincial CASP business plans by provinces by 30 September 2022 • Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2022 prior to final national assessment panel meeting • Evaluation and recommendation of business plans by national assessment panel between November 2022 and February 2023 • Send funding agreements to provinces by February/March 2023 to be signed by heads of departments, chief financial officers, and CASP coordinators • Approval of business plans by the transferring officer before 31 March 2023 • Inform provinces of approval of the business plans in March or April 2023 • Approval by the transferring officer regarding 2023/24 business planning process compliance during April 2023, and send to the National Treasury by end April 2023

Ilima/Letsema Projects Grant	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Land Reform and Rural Development (Vote 29)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To reduce poverty through increased food production initiatives
Grant purpose	<ul style="list-style-type: none"> • To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production within strategically identified grain, livestock, horticulture and aquaculture production areas
Outcome statements	<ul style="list-style-type: none"> • Increased agricultural production of field crops such as grains and oilseeds, livestock, horticulture, fibre and aquaculture at both household and national level • Increase quantities (tons) of agricultural commodities produced by smallholder and household farmers • Increased capacity to support and oversee productivity and farming efficiency • Improved farm income (in rands) • Increased job opportunities • Reduced poverty and improved food security • Increased market access by smallholder and household farmers • Rehabilitated and expanded irrigation schemes • Improved access to production inputs
Outputs	<ul style="list-style-type: none"> • Land under agricultural production (field crops such as grains and oilseeds, horticulture fibre, and livestock) • Beneficiaries/farmers supported by the grant per category • 50 per cent women, 40 per cent youth and six per cent people living with disabilities (farmers supported per category) • Superior breeding animals acquired and distributed to farmers • Job opportunities created • Hectares of rehabilitated and expanded irrigation schemes • Partnerships with commodity organisations • Community gardens supported • School gardens supported
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 1: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Outputs indicators • Inputs • Key activities • Monitoring framework • Risks and mitigation strategies
Conditions	<p>Schedule 5, Part A allocation</p> <ul style="list-style-type: none"> • Ilima/Letsema grant should be allocated to support food production (crop and livestock production) in support of the Fetsa Tlala and Presidential Economic Stimulus initiatives, prioritising vulnerable households, communal areas and areas under traditional leadership, targeting subsistence and smallholder producers supported with inputs and mechanisation • Partnerships with black commodity organisations should be prioritised for joint support, joint funding and joint implementation • At most 30 per cent of Ilima/Letsema allocations to be used for rehabilitation of irrigation schemes in Eastern Cape, Free State, Northern Cape, North West and KwaZulu-Natal provinces • Provincial departments to confirm human resources capacity to implement Ilima/Letsema business plans on or before 31 March 2022 • All assisted farmers should be listed in the provincial and national farm registers • Provinces to inform the transferring officer of any changes to plans and allocations approved by the Department of Agriculture, Land Reform and Rural Development (DALRRD) within seven days of such change, and such changes must be approved by the transferring officer before they are implemented • The business plans must be signed off by the heads of departments of the provincial agriculture departments in collaboration with the chief financial officers or their representatives, and co-signed by the heads of provincial treasuries • The signed business plans must be submitted to DALRRD for approval
Allocation criteria	<ul style="list-style-type: none"> • The formula used to allocate funds is a weighted average of the following variables: agricultural land available, previous homeland areas, households involved in agriculture (General Household Survey 2019), food insecure areas and national priority areas targeted for increased food production and previous Ilima/Letsema performance
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The funding originated with the special poverty allocations made by national government for a specific purpose and requires tight conditionality to achieve the national goal • Agriculture is identified as a game changer and investment in agriculture must be guided under strict conditions to achieve aspirations of the National Development Plan
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated and transferred R548 million and R415 million (76 per cent) was spent

Ilima/Letsema Projects Grant	
	<p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 50 719 subsistence farmers supported • 10 946 smallholder farmers supported • 477 black commercial farmers supported • 15 802 jobs created • 82 216 households supported with starter packs and production inputs • 202 schools assisted to establish food gardens (Gauteng, Kwazulu-Natal, Limpopo, Western Cape) • 1353 community food gardens established (Free State, Gauteng, Kwazulu-Natal, Limpopo, Mpumalanga, Western Cape) • 304 547 beneficiaries supported by the programme (55 per cent were women, 13 per cent were youth and 0.2 per cent were people with disabilities) • 71 747 hectares of land cultivated • Between three and seven tons per hectare of maize achieved • Vaalharts and Makhathini irrigation schemes were revitalised
Projected life	<ul style="list-style-type: none"> • Grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R610 million; 2023/24: R620 million; 2024/25: R648 million
Payment schedule	<p>Transfers for Schedule 5, Part A:</p> <ul style="list-style-type: none"> • Four instalments: 13 May 2022, 26 August 2022, 28 October 2022 and 27 January 2023
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Agree on outputs and targets with provincial departments in line with grant objectives for 2022/23 • Provide the guidelines and criteria for the development and approval of business plans • Provide template for project registration and reporting • Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly • Submit monthly financial reports to National Treasury 20 days after the end of the month • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit annual evaluation of performance report to National Treasury within four months after the end of the financial year • Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Provinces to adhere to the conditions of this framework and Division of Revenue Act • Provinces to submit detailed project list as per the DALRRD project list template • Provinces to report monthly (on financial performance) 15 days after the end of each month, and quarterly (on non-financial performance) 20 days after the end of each quarter, and annually two months after the end of the financial year on the progress and achievements of the programme • Provinces to implement the Ilima/Letsema business plans as approved • All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the Division of Revenue Act when executing projects as well as for reporting purposes • Assign and delegate officials to manage and monitor implementation of the programme by 1 April 2022 • Keep records of projects supported and a farmer register • Monitor project implementation on a quarterly basis and evaluate the impact of projects in achieving Ilima/Letsema goals
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 27 May 2022 • Submission of provincial Ilima/Letsema business plans by provinces on 30 September 2022 • Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2022 prior to final national assessment panel meeting • Evaluation and recommendation of business plans by national assessment panel between November 2022 and February 2023 • Send funding agreements to provinces by February/March 2023 to be signed by heads of departments, chief financial officers and Ilima/Letsema coordinators • Approval of business plans by the transferring officer before 31 March 2023 • Inform provinces of approval of the business plans in March or April 2023 • Approval by the transferring officer regarding 2023/24 business planning process compliance during April 2023, and send to National Treasury by end April 2023

LandCare Programme Grant: Poverty Relief and Infrastructure Development	
Transferring department	<ul style="list-style-type: none"> • Agriculture, Land Reform and Rural Development (Vote 29)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To optimise productivity and sustainability of natural resources leading to greater productivity, food security, job creation and better quality of life for all
Grant purpose	<ul style="list-style-type: none"> • To promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all
Outcome statements	<ul style="list-style-type: none"> • Improved veld grazing capacity and livestock productivity • Improved production potential of arable land leading to increased yield • Improved quantity and quality of South Africa's water resources through projects in SoilCare, VeldCare, Conservation Agriculture and WaterCare focus areas of LandCare programme • Improved youth participation in the agricultural sector through intergenerational skills transfer and other systems to develop the capacity of youth • Improved custodianship and stewardship of natural agricultural resources through community-based initiatives by all land users • Improved livelihoods of rural communities within the ambit of the green economy • Improved partnerships with private, public, non-governmental organisations and community sectors • Improved knowledge and skills base of participants and land users • Enhanced ecosystem services for current and future generations • Improved governance of natural agricultural resources of the country • Improve policy and legislative frameworks for natural agricultural resources management
Outputs	<ul style="list-style-type: none"> • Hectares of rangeland protected and rehabilitated • Hectares of arable land protected and rehabilitated • Hectares of land under conservation agriculture • Number of farmers using conservation agriculture • Number of youths successfully attending organised Junior LandCare initiatives • Number of hectares of land where water resources are protected and rehabilitated • Number of capacity building initiatives conducted for land carers and institutions • Number of people who benefited from capacity building initiatives • Number of awareness campaigns conducted • Number of people more aware of sustainable use of natural agricultural resources • Hectares of land where weeds and invader plants are under control • Number of kilometres of fence erected • Number of green jobs created expressed as full-time equivalents • Number of LandCare committees established • Number of protocols, guidelines, strategies, policy and legislative frameworks developed for natural resources management
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 2: Economic Transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> • Project header • Project background • Farm plan map • Farm management plan detail • Beneficiaries and job creation • Change pathways • Pre-project assessment • Risk assessment • Implementation map • Implementation details • Exit strategy • <u>Monitoring and evaluation</u>
Conditions	<ul style="list-style-type: none"> • Provinces must confirm capacity to implement projects before funds can be transferred • Provincial departments annual evaluations must be submitted two months after the end of the financial year using an approved LandCare template • The impact (before and after) of the LandCare programme should also be quantified during initiation, implementation and handing-over phases of the projects • Projects should be implemented guided by farm management plan in terms of Conservation of Agricultural Resources Act • Provinces should report signed financial performance per project on the 15th of every month in compliance with the 2022 Division of Revenue Act

LandCare Programme Grant: Poverty Relief and Infrastructure Development	
	<ul style="list-style-type: none"> • Provinces should report on the number of jobs created 15 days 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 • Projects should adhere to the reporting dates as stipulated in the 2022 Division of Revenue Act and furthermore adhere to dates as agreed during the quarterly meetings and national LandCare secretariat • 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 • Provinces should undertake skill audit of beneficiaries, provide training and submit reports to the Department of Agriculture, Land Reform and Rural Development (DALRRD) • Any reports submitted after the due date should be accompanied by a letter outlining the reason/s for late submission
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on an index comprising of nodes, land capability, poverty, degradation and land size derived from the following sources: <ul style="list-style-type: none"> ○ nodes of the most deprived wards in the country ○ land capability: total hectares class I, II and III (spatial analysis - land capability data) ○ size: hectares (new boundaries from the Municipal Demarcation Board) ○ poverty: poverty gap based on food poverty line of Statistic South Africa Living Conditions Survey 2018 ○ land degradation: hectares (land degradation report 2018) ○ policy imperatives and development for sustainable land management
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The funding originated with the special poverty allocations made by national government for a specific purpose.
Past performance	<p>2020/2021 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated R81 million inclusive of rollovers and transferred R73 million to provinces, of which provinces spent R71 million (97.5 per cent) by the end of the financial year <p>2020/2021 service delivery performance</p> <ul style="list-style-type: none"> • 31 380 hectares of rangeland protected and rehabilitated • 3 745 hectares of land under conservation agriculture • 3 968 youths successfully attending organised Junior LandCare initiatives • 51 household and school food gardens established through Junior LandCare • five water sources developed or protected against over-utilisation • 66 capacity building initiatives conducted for land carers • 3 904 people with improved capacity and skill levels benefiting from capacity building initiatives • 84 awareness campaigns conducted and attended by land carers • 4 878 people more aware of sustainable use of natural resources • 14 020 hectares of land where weeds and invader plants are under control • 2348 hectares of land where bush encroachment is controlled • 132 kilometres of fencing erected • 778.21 green jobs created expressed as full-time equivalents • nine LandCare committees established
Projected life	<ul style="list-style-type: none"> • This grant will be aligned with changes in the Expanded Public Works Programme, national planning framework report and policy developments within government
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R85 million, 2023/24: R86 million and 2024/25: R90 million
Payment schedule	<ul style="list-style-type: none"> • Allocation to provinces will be disbursed on a quarterly basis (April 2022, August 2022, October 2022 and January 2023)
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Host national assessment panel to assess the projects with the provincial departments in line with grant objectives for 2023/24 • Review guidelines and standards for the implementation of the grant • Provide the guidelines and criteria for the development and approval of business plans • Monitor implementation through project site visits, reports, quarterly meetings with provinces and provide support to provinces • Submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter • Submit evaluation reports to the National Treasury within four months after the end of the financial year <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • 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 2022 • 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 • Submit signed monthly financial report on the 15th day of every month

LandCare Programme Grant: Poverty Relief and Infrastructure Development	
	<ul style="list-style-type: none"> • 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. • Submit signed quarterly reports (non-financial) with portfolio of evidence 30 days after the end of each quarter on the progress of the projects • Province should further adhere to agreements approved quarterly meetings on performance reporting and any other matter related to natural resource management • 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 • Hold provincial assessment panels, use a 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 August 2022 • Monitor project implementation and evaluate the impacts of projects in achieving LandCare goals • Submit evaluation reports to DALRRD within two months after the end of the financial year • Ensure and support the upscaling of conservation agriculture practices within communities • Assist farmers with soil testing to improve and maintain soil health • Assist farmers with veld and soil survey systems
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • DALRRD must provide provincial departments with business plan formats and guidelines by June 2022 • 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 • Evaluation and recommendation of business plans by the national assessment panel before the end of March 2023 • 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 • Notify provinces of the approval of business plans before first quarter transfer

BASIC EDUCATION GRANTS

Early Childhood Development Grant	
Transferring department	<ul style="list-style-type: none"> Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> To increase access to quality early childhood development (ECD) services for poor children
Grant purpose	<ul style="list-style-type: none"> To increase the number of poor children accessing subsidised ECD services through centre and non-centre based programmes To support ECD providers delivering an ECD programme to meet basic health and safety requirements for registration To pilot the construction of new low-cost ECD centres
Outcome statements	<ul style="list-style-type: none"> The provision of ECD services to poor children contributing towards universal access Improving health and safety conditions in which stimulation and early learning takes place
Outputs	<ul style="list-style-type: none"> This grant has two components with detailed outputs, conditions and responsibilities for each component specified in separate frameworks. The two components are: <ul style="list-style-type: none"> infrastructure component subsidy component
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components which contains the following: <ul style="list-style-type: none"> project background project objectives scope of the work deliverables and outputs to be achieved risk assessment with mitigation plan
Conditions	<ul style="list-style-type: none"> Conditional grant funding cannot be used to replace funding that provinces have previously allocated for ECD subsidies Each province may use a maximum of R4 million of their total conditional grant allocation (subsidy plus infrastructure components) for administrative management of the grant which includes capacity to manage the grant and funding for assessments of ECDs. Provinces may choose to use this amount from the allocation for either one of the components or both
Allocation criteria	<ul style="list-style-type: none"> As specified in the two grant component frameworks
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> To allow 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 by ensuring that the delivery and maintenance of any capital investment is coordinated in an efficient manner that is consistent with norms, standards and guidelines ECD is a national priority and requires uniform implementation in order to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> Of the total grant allocation of R1.4 billion, 100 per cent was transferred to provinces and R908 million (64 per cent) was spent by the end of the financial year <p>2020/2021 service delivery performance</p> <ul style="list-style-type: none"> 124 673 children benefitted from the subsidy 548 961 equitable share children targeted for top-up grant benefitted
Projected life	<ul style="list-style-type: none"> Given the nature of the programme and the drive to expand provision of ECD services, the grant will be needed for the medium term expenditure framework period, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R1.2 billion; 2023/24: R1.2 billion and 2024/25 R1.3 billion allocated as follows: <ul style="list-style-type: none"> Subsidy Component: 2022/23: R1.1 billion; 2023/24: R1.1 billion and 2024/25: R1.2 billion Infrastructure Component: 2022/23: R98 million; 2023/24: R102 million and 2024/25: R107 million
Payment schedule	<ul style="list-style-type: none"> Quarterly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Review the standardised reporting framework and monitoring tool Review the standardised format for the business plans Assist the provincial departments of basic education with their planning Assess and approve the business plans submitted by provinces Monitor project progress and compliance to conditional grant framework Provide continuous monitoring and support to provinces Submit a monthly financial report to National Treasury 20 days after the end of the reporting month Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter Monitor the utilisation of the grant against the set outcomes and take appropriate action in cases of non-compliance with the framework Submit an annual evaluation report four months after the end of the 2021/22 financial year

Early Childhood Development Grant	
	<ul style="list-style-type: none"> • Facilitate approval of the payment schedule and approval of in-year adjustments to the payment schedule • Review and update subsidy guidelines
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Submit approved business plans signed-off by the head of department to the DBE by 2 March 2022 • Implement the business plan as approved by the DBE • Ensure that claims are submitted to national DBE to allow for the transfer of funds by national DBE in line with the payment schedule approved by the National Treasury • Submit monthly financial reports to national DBE 15 days after the end of the reporting month • Provinces must upload all ECD maintenance projects on the infrastructure reporting model and update it monthly • Submit quarterly performance reports to national DBE within 30 days after the end of each quarter • Submit an evaluation report two months after the end of the 2022/23 financial year
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Engagement with provincial departments on submission of business plans between September 2022 and February 2023 • Submit final provincial business plan, including cash flow projections and compliance certificates signed-off by heads of departments for 2022/23 financial year to DBE by 15 February 2023 • The transferring officer must approve provincial business plans by 3 April 2023

Early Childhood Development Grant: Infrastructure Component	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To increase access to quality early childhood development (ECD) services for poor children
Grant purpose	<ul style="list-style-type: none"> • To support ECD providers delivering an ECD programme to meet basic health and safety requirements for registration • To pilot the construction of new low cost ECD centres
Outcome statements	<ul style="list-style-type: none"> • The provision of ECD services to poor children contributing towards universal access • Improving health and safety conditions in which stimulation and early learning takes place
Outputs	<ul style="list-style-type: none"> • Number of ECD centres assessed for infrastructure support and health and safety standards • Number of ECD centres whose registration status improved as a result of the infrastructure component within 24 months of receiving the grant • Number of low cost ECD centres constructed
Priority outcome(s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components (subsidy and infrastructure) which contains the following: <ul style="list-style-type: none"> ○ project background ○ project objectives ○ scope of the work ○ deliverables and outputs to be achieved ○ risk assessment with mitigation plan
Conditions	<p>Maintenance and upgrading</p> <ul style="list-style-type: none"> • This allocation may be used for: <ul style="list-style-type: none"> ○ unregistered ECD centres to do minor infrastructure maintenance works and upgrades to enable conditional registration ○ conditionally registered ECD centres to do minor infrastructure maintenance works and upgrades to enable them to improve their registration status • The following conditions apply in respect of the above: <ul style="list-style-type: none"> ○ all ECD sites whether conditionally registered or unregistered may only benefit from this fund if they are eligible as per the requirements in the guideline issued by DBE ○ all projects must be selected, planned, and implemented in a manner consistent with the guideline issued by the DBE ○ provinces must conduct assessments of conditionally registered and eligible unregistered ECD sites and cost them in order to qualify for funding in 2023/24 and submit by 30 September 2022 ○ for unregistered centres, a maximum amount of R150 000 per ECD centre may be spent for maintenance improvements, inclusive of all costs (VAT, disbursements etc) ○ for conditionally registered centres a maximum amount of R300 000 centre may be spent for maintenance improvement and upgrades, inclusive of all costs (VAT, disbursements etc) ○ prior approval for any amount exceeding R150 000 or R300 000 respectively 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 ○ all projects must be recorded on the infrastructure reporting model before the start of the financial year ○ 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 <p>New centre construction</p> <ul style="list-style-type: none"> • New centre construction funding is for the construction of new low-cost ECD centres where existing structures have to be replaced or to address new demand in areas where the need is the greatest • A maximum of R3 million per province may be used for the construction of new ECD centres, inclusive of all costs • The construction of centres must be consistent with the guideline issued by DBE • Every province may construct at least one ECD centre in 2022/23 • Each province must include the number of ECD centres to be constructed and the costs for the construction in the business plan 2022/23 • All projects must be recorded on the infrastructure reporting model <p>General conditions</p> <ul style="list-style-type: none"> • DBE will develop guidelines for each of the areas listed above that must be issued to the provinces by 31 March 2022
Allocation criteria	<ul style="list-style-type: none"> • The provincial infrastructure allocations are determined based on: <ul style="list-style-type: none"> ○ the number of ECD centres assessed in each province that meet the criteria for the maintenance and upgrading ○ the amount for low-cost construction of ECD centres is a standard allocation for each province

Early Childhood Development Grant: Infrastructure Component	
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> 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 ECD is a national priority and requires uniform implementation in order to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030
Past performance	2020/21 audited financial outcomes <ul style="list-style-type: none"> Of the maintenance grant allocation of R89 million, 100 per cent was transferred to provinces. R39 million (44 per cent) was spent by the end of the financial year (the grant was re-purposed in year to provide personal protective equipment to ECD centers because of COVID-19)
	2020/21 service delivery performance <ul style="list-style-type: none"> 14 ECD centres benefited from the maintenance grant (the grant was re-purposed in year to provide provide personal protective equipment to ECD centers because of COVID 19)
Projected life	<ul style="list-style-type: none"> Given the nature of the programme and the drive to expand provision of ECD services the grant will be needed for the medium term expenditure framework period, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R98 million; 2023/24: R102 million and 2024/25: R107 million
Payment schedule	<ul style="list-style-type: none"> Quarterly instalments according to approved payment schedule
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> DBE will develop ECD infrastructure grant guidelines for each of the two areas listed above that must be issued to the provinces by 31 March 2022 DBE will conduct monitoring on the grant and consolidate quarterly reports
	Responsibilities of provincial departments <ul style="list-style-type: none"> Provinces must submit a draft list of all eligible ECD sites that have been assessed to benefit from the grant in 2023/24 to DBE by 30 September 2022 Provinces must provide a procurement plan on how they will implement their projects in the 2023/24 by 30 November 2022 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 Maintain a database of all ECD centres that have been assisted through the infrastructure component of the grant by the ECD infrastructure project manager The ECD programme manager must maintain a database of all ECD centres that have improved their registration status Provinces must record all infrastructure projects on the National Treasury's infrastructure reporting model Provinces must adhere to the requirements in the ECD infrastructure grant guidelines issued by DBE in the implementation of the grant
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Engagement with provincial departments on submission of business plans between September 2022 and February 2023 Submit final provincial business plan, including cash flow projections and compliance certificate signed-off by heads of departments for 2023/24 to DBE by 13 February 2023 The transferring officer must approve provincial business plans by 31 March 2023

Early Childhood Development Grant: Subsidy Component	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To increase access to quality early childhood development (ECD) services for poor children
Grant purpose	<ul style="list-style-type: none"> • To increase the number of poor children accessing subsidised ECD services through centre and non-centre based programmes
Outcome statements	<ul style="list-style-type: none"> • The provision of ECD services to poor children
Outputs	<ul style="list-style-type: none"> • Number of eligible children subsidised, as agreed in the service level agreements (SLA) • Number of all children attending ECD services in fully registered centres • Number of all children attending ECD services in conditionally registered centres • Number of children subsidised from the conditional grant in fully registered centres • Number of children subsidised from the conditional grant in conditionally registered centres • Number of days subsidised for centre based programmes • Number of children benefiting from the subsidy of the conditional grant in registered non-centre based ECD programmes • Number of children benefiting from the top up grant • Number of ECD practitioners and other staff employed in registered ECD centres benefiting from the conditional grant
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components (i.e. subsidy and infrastructure) which contains the following: <ul style="list-style-type: none"> ○ project background ○ project objectives ○ scope of the work ○ deliverables and outputs to be achieved ○ risk assessment with mitigation plan
Conditions	<ul style="list-style-type: none"> • Fully registered and conditionally registered ECD programmes will be eligible for the subsidy in both centre and non-centre based programmes • The subsidy is targeted for children in ECD services from birth until school going age • The provincial departments of education and ECD service providers will enter into SLAs which stipulate the purpose of the subsidy, the amount of the subsidy, conditions of the subsidy and obligations of both provincial department of basic education and ECD service providers with regards to the payment of the subsidy and reporting requirements • The value of the subsidy paid to each ECD centre will be calculated as follows: <ul style="list-style-type: none"> ○ R17.00 multiplied by the number of days (264), multiplied by the number of qualifying children attending the ECD centre as agreed to in the SLA • The value of the subsidy paid to each registered non-centre based ECD programme will be calculated as follows: <ul style="list-style-type: none"> ○ R6.00 multiplied by the number of sessions, multiplied by the number of qualifying children attending as agreed to in the SLA • The full value of the subsidy will be paid in equal parts in line with the SLA and any changes to the payment schedule must be aligned to a determination of non-compliance as defined in the SLA • Once funds are transferred to ECD service providers the department may not pre-approve how the funds are to be utilised other than what is stipulated in the SLA • All allocations must be aligned to the number of children registered and eligible for the subsidy as per the SLA and can only be reduced as per the process outlined in the SLA. Allocations may not be changed in-year, based on attendance • The subsidy must target ECD centres and non-centre based programmes or qualifying children in line with the process set out below: <ul style="list-style-type: none"> ○ an ECD centre and non-centre based programme is eligible to be subsidised if it is located in a designated municipal ward that has been identified for universal targeting of subsidies ○ children attending these ECD centres and non-centre based programmes will not be subjected to an individual means test and all children in these programmes must be taken into account when calculating the subsidy ○ if the child is attending an ECD centre or non-centre based programme falling outside of those municipal wards that have been identified for universal targeting, a means test can be applied as outlined below

Early Childhood Development Grant: Subsidy Component	
	<p>Income based means test:</p> <ul style="list-style-type: none"> • Income of parents or caregivers may not exceed the means test values applied for receipt of the child support grant for a single parent and married parents as gazetted by DBE in 2022. This is updated each year with the increase in the grant value • In the case of children receiving a child related social assistance grant the original, reprinted or certified copies of proof of receipt of the child related grant (child support grant or the foster care grant) as issued by South African Social Security Agency must be submitted • In the case of children who are not beneficiaries of a child related grant the following must be submitted: <ul style="list-style-type: none"> ○ proof of income of parents (or caregivers) ○ three months' bank statement of parents or guardians ○ affidavit declaring status of income
Allocation criteria	<ul style="list-style-type: none"> • The provincial subsidy allocations are determined based on the following: <ul style="list-style-type: none"> ○ the subsidy rate of R17.00 multiplied by the number of children targeted using the 2021/22 subsidy budget for the conditional grant ○ topping-up the equitable share funded subsidies by R2.00 to R17.00 using the number of children to be subsidised through equitable share as at end of March 2022 • For the 2022/23 expansion, the targeted number of children is based on the 2021/22 subsidy budget for the conditional grant
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • To allow DBE to better facilitate expansion of ECD services in the country • ECD is a national priority and requires uniform implementation in order to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the subsidy expansion grant allocation of R1.3 billion, 100 per cent was transferred to provinces and R847 million (64 per cent) was spent by the end of the financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 153 609 children benefitted from the subsidy of which 13 456 are from the non-centre based programmes • 256 946 children benefitted from top-up grant
Projected life	<ul style="list-style-type: none"> • The grant will be allocated over the 2022 medium term expenditure framework period, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R1.1 billion; 2023/24: R1.1 billion and 2024/25: R1.2 billion
Payment schedule	<ul style="list-style-type: none"> • Quarterly instalments according to approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Review standardised SLAs to be entered into between provincial departments of basic education and ECD service providers • Review and update the subsidy guidelines that must be issued to provinces by 28 March 2022 in consultation with the National Treasury <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Conclude SLAs with ECD service providers in a format prescribed by the DBE • Ensure that payments are made in line with the payment schedule as per the SLAs with ECD service providers • Subsidies must be made into the ECD service providers designated bank accounts, which must be with a registered deposit taking institution in the Republic of South Africa • Subsidies may only be reduced in cases of non-compliance as outlined in the prescribed SLA • Use the information reported in the quarterly reports from ECD service providers to develop and maintain a master list of all children benefitting from the ECD subsidy • Maintain a database on the status of full and conditional registration of all ECD centres and non-centre based programmes in the province that includes the following basic information: <ul style="list-style-type: none"> ○ registration status ○ capacity of the centre ○ number of children in attendance ○ number of children subsidised ○ number of children with disabilities subsidised ○ number of children with disabilities in attendance • Maintain a database of all ECD staff in centres benefitting from the equitable share and conditional grant
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Engagement with provincial departments on submission of business plans between September 2022 and February 2023 • Submit final provincial business plans for 2023/24, including cash flow projections and compliance certificates signed-off by heads of departments to DBE by 15 February 2023 • The transferring officer must approve provincial business plans by 31 March 2023

Education Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 4, Part A
Strategic goal	<ul style="list-style-type: none"> • To supplement provinces to fund the provision of education infrastructure in line with the regulations relating to minimum uniform norms and standards for public school infrastructure
Grant purpose	<ul style="list-style-type: none"> • To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation • To 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
Outcome statements	<ul style="list-style-type: none"> • Improved quality of education service delivery by provincial departments as a result of an improved and increased stock of school infrastructure • Aligned and coordinated approach to infrastructure development at the provincial sphere • Improved education infrastructure expenditure patterns • Improved response to the rehabilitation of school infrastructure • Improved rates of employment and skills development in the delivery of infrastructure • Improved safety in school facilities through occupational health and safety
Outputs	<ul style="list-style-type: none"> • Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided • Number of existing schools' infrastructure upgraded and rehabilitated including schools constructed of asbestos material and other inappropriate material • Number of new and existing schools maintained • Number of work opportunities created • Number of new special schools provided, and existing special and full-service schools upgraded and maintained • Number of schools where contracts focused on the development and upgrading of potable water supply and safe sanitation have reached practical completion • Number of schools where contracts focussed on the COVID-19 emergency potable water supply have reached practical completion • Number of schools where contracts focussed on the COVID-19 emergency safe sanitation have reached practical completion • Volume of water supplied through trucking (with details of which schools were supplied on what dates) • Number of schools provided with sanitisation materials and equipment (with quantities specified)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses an infrastructure plan that includes: <ul style="list-style-type: none"> ○ the infrastructure programme management plan ○ the procurement strategy ○ the capacitation strategy ○ the infrastructure reporting model ○ the year-end evaluation report
Conditions	<ul style="list-style-type: none"> • Provinces may utilise a portion of grant funding for the appointment of public servants on a permanent basis to their infrastructure units in line with human resource capacitation circular published by National Treasury (including maximums set in the circular) • The flow of each instalment of the grant depends upon provinces submitting to Department of Basic Education (DBE) and provincial treasuries non-financial performance reports on programmes partially and fully funded by the grant • The flow of the first instalment of the grant depends upon receipt by the national Department of Basic Education (DBE) and provincial treasuries of: <ul style="list-style-type: none"> ○ approved and signed-off infrastructure plan with tabled prioritised project lists for the 2022 medium term expenditure framework (MTEF) by no later than 25 March 2022. The infrastructure plan must, where applicable, also include the implementation plans for schools affected by natural disasters ○ preventative and corrective maintenance plan for all maintenance programmes over the MTEF period accompanied by a project list no later than 25 March 2022 • The flow of the second instalment depends upon receipt by DBE and provincial treasuries of the approved and signed-off: <ul style="list-style-type: none"> ○ monthly infrastructure reports in a format determined by the National Treasury and DBE ○ national education infrastructure management system assessment forms for the fourth quarter of the 2021/22 financial year no later than 28 April 2022 ○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the fourth quarter of the 2021/22 financial year within 22 days after the end of the fourth quarter

Education Infrastructure Grant	
	<ul style="list-style-type: none"> • The flow of the third instalment is dependent upon receipt by DBE, the relevant provincial treasuries and the National Treasury, on a date and in a format determined by National Treasury, of the approved and signed-off: <ul style="list-style-type: none"> ○ infrastructure plans for all infrastructure programmes for a period of 10 years (including the initial list of prioritised projects) on a date specified in the performance-based approach guidelines ○ the 2022/23 project list must be drawn from the prioritised project list for the MTEF tabled in 2021/22 ○ preventative and corrective maintenance plans for all maintenance programmes over the MTEF period accompanied by a project list on a date specified in the performance-based approach guidelines ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ national education infrastructure management system assessment forms for the first quarter of 2022/23 by 27 July 2022 ○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the first quarter of the 2021/22 financial year within 22 days after the end of the first quarter ○ the conditional grant year-end evaluation report on financial and non-financial performance no later than 27 May 2022 • The flow of the fourth instalment is conditional upon receipt by the DBE and relevant provincial treasury of the approved and signed off: <ul style="list-style-type: none"> ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ national education infrastructure management system assessment forms for the second quarter of 2022/23 by 26 October 2022 ○ infrastructure programme management plans for infrastructure programmes envisaged to commence within the period for the medium term expenditure framework on a date specified in the performance based approach guidelines ○ procurement strategy for infrastructure programmes envisaged to commence within the period of the medium term expenditure framework on a date specified in the performance based approach guidelines ○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the second quarter of the 2022/23 financial year within 22 days after the end of the second quarter • The flow of the fifth instalment is conditional upon receipt by the DBE and the relevant provincial treasuries, on a date determined by National Treasury, of the approved and signed-off: <ul style="list-style-type: none"> ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ national education infrastructure management system assessment forms for the third quarter of 2022/23 to DBE not later than 20 January 2023 ○ 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 2022/23 financial year within 22 days after the end of the third quarter • Provincial education departments must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery funded from the grant • Provincial education departments must comply with the framework for infrastructure delivery and procurement management • Provincial education departments must provide school governing bodies with maintenance guidelines to conduct minor maintenance. This should be in accordance with the sector maintenance strategy • Provincial education departments should allocate no less than 60 per cent of the Education Infrastructure Grant (EIG) allocation to address preventative and corrective maintenance at schools • Provincial education departments to prioritise, and fund from the grant, the eradication of pit latrines and other unacceptable forms of sanitation • Provincial education departments to prioritise the rehabilitation of storm damaged schools, schools built of asbestos and other inappropriate material • 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 2022/23, for commissioning of projects in 2023/24 • Provincial education departments may use multiple implementing agents when implementing projects funded from the grant • To promote conducive teaching and learning within the acceptable occupational, health and safety standards, provincial education departments must implement maintenance projects in all education facilities. • In schools without section 21 responsibilities, provincial education departments should put in place the necessary measures to ensure that planned maintenance at these schools occurs as per the scheduled maintenance plan for such schools • Provincial education departments must provide all the necessary equipment and furniture in the spaces provided when constructing new projects

Education Infrastructure Grant	
	<ul style="list-style-type: none"> • Provincial education departments must submit their plans for the procurement of mobile classrooms to the DBE and any deviation from these plans should be approved in writing by the DBE and National Treasury • Provincial education departments must adhere to the prescripts of the National Treasury instruction number 2 of 2015/16, on the implementation of the school cost norms • Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of transfers • To respond to the COVID-19 pandemic, provincial education departments may use their allocations to fund: <ul style="list-style-type: none"> ○ projects to ensure the sustainable provision of potable water and safe sanitation in schools (these projects must be prioritised, and coordinated with projects implemented by the national DBE through the School Infrastructure Backlogs Grant) ○ the trucking of water to refill water tanks in schools' subject to written approval from DBE. DBE will determine the frequency of trucking of water ○ the purchasing of sanitisation materials and equipment. Grant funds can only be used for this purpose when the province has demonstrated that all other provincial reprioritisation options have been utilised • Monthly reports on COVID-19 expenditure must include information on actual spending and services delivered • Funds have been earmarked within this grant for the reconstruction and rehabilitation of the infrastructure damaged by natural disasters in KwaZulu-Natal in 2019 which have been assessed and declared in the government gazette by the National Disaster Management Act (NDMC). The amounts are as follows: <ul style="list-style-type: none"> ○ 2022/23: R145 million ○ 2023/24: R326 million • Business plans for allocated disaster funds must be in line with the post disaster verification assessment reports submitted to the NDMC • Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans • Quarterly performance reports on disaster allocations must be submitted to the NDMC and DBE
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2022/23 are based on historical allocations for this grant • Allocations also include incentive-based allocations as described in part 4 to Annexure W1 of the 2022 Division of Revenue Bill
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Funding infrastructure through a conditional grant enables the national department to ensure the delivery and maintenance of education infrastructure in a coordinated and efficient manner, consistent with national norms and standards for school buildings
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R10.5 billion allocated, R10.5 billion (100 per cent) was transferred to provinces of which R10.7 billion (99 per cent) was spent by the end of the national financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 1 931 teaching spaces, 138 administrative spaces provided • 1 361 maintenance projects, 192 disaster projects, 2 094 water, 839 sanitation, 47 electricity and 101 fencing infrastructure projects • Completed two boarding facilities, 30 sports facilities • The sector has provided a total of 30 new and replacement schools in provinces
Projected life	<ul style="list-style-type: none"> • Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R12.4 billion; 2023/24: R13 billion and 2024/25: R13.3 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Visit selected infrastructure sites in provinces • DBE and National Treasury to support provinces to improve infrastructure delivery capacity and systems • Provide guidance to provinces in planning and prioritisation • Issue guidelines on the capacitation process of infrastructure units as well as the conditions attached to the utilisation of the funding • DBE and National Treasury to jointly evaluate progress with the capacitation of provincial infrastructure units and provide feedback to all provinces in terms of the guidelines • DBE and National Treasury must jointly evaluate and provide feedback to all provinces on the assessment of all documents as outlined on the performance based approach system guidelines • Assess the reports submitted by provincial education departments and provide feedback before transferring the instalment • Submit reports to the National Treasury in terms of quarterly achievements by provincial education departments • Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes of the 2022 Division of Revenue Act

Education Infrastructure Grant	
	<ul style="list-style-type: none"> • DBE to assess and approve requests for trucking of water and determine the frequency of trucking of water • DBE must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Approve monthly provincial infrastructure reports on infrastructure programmes within 15 days after the end of each month and submit to the relevant provincial treasury and DBE • Submit a signed-off monthly provincial infrastructure report on infrastructure programmes within 22 days after the end of each month to the relevant provincial treasury and DBE • Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes in 2022 Division of Revenue Act • Submit quarterly capacitation reports within 22 days after the end of each quarter • Ensure that section 42 transfers as per the Public Finance Management Act are affected
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • The process for approval for the 2023 MTEF allocations will be in line with the performance based incentive approach guidelines published by National Treasury

HIV and AIDS (Life Skills Education) Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • Addressing social and structural drivers on HIV, sexually transmitted infections (STIs) and Tuberculosis (TB) prevention, care and impact • Contribute to preventing new HIV, STIs, TB and COVID-19 infections • To increase access to sexual and reproductive health services including HIV as well as TB services for learners and educators, with a specific focus on schools that are located in high priority areas
Grant purpose	<ul style="list-style-type: none"> • To support South Africa's HIV prevention strategy by: <ul style="list-style-type: none"> ○ providing comprehensive sexuality education and access to sexual and reproductive health services to learners ○ supporting the provision of employee health and wellness programmes for educators • To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators • To reduce the vulnerability of children to HIV, TB and STIs, with a particular focus on orphaned children and girls
Outcome statements	<ul style="list-style-type: none"> • Increased HIV, STI, TB and the COVID-19 knowledge and skills amongst learners, educators and officials • Decrease in risky sexual behaviour among learners, educators and officials • Decreased barriers to retention in schools, in particular for vulnerable learners (girls and boys)
Outputs	<ul style="list-style-type: none"> • 8 798 of educators trained to implement comprehensive sexuality education and TB prevention programmes for learners to be able to protect themselves from HIV and TB, COVID-19 and the associated key drivers including alcohol and drug use, leading to unsafe sex, learner pregnancy and HIV infection, prioritising schools located in areas with a high burden of HIV and TB infections • 5 154 school management teams and governing bodies trained to develop policy implementation plans focusing on keeping mainly young girls in school, ensuring that comprehensive sexuality education and TB education is implemented for all learners in schools, access to comprehensive sexual and reproductive health and TB services. A provision for training will also address multiple sexual partnerships among boys and learner pregnancy prevention • Co-curricular activities on provision of comprehensive sexuality education, access to sexual and reproductive health and TB services implemented in secondary schools including a focus on prevention of alcohol and drug use and learner pregnancy and COVID-19, targeting 63 484 learners. Priority will be in schools located in high priority areas. Co-curricular activities in primary schools will focus on raising awareness of social issues and vulnerabilities such as how to report abuse and support affected learners • Care and support programmes implemented to reach 52 659 learners and 4 204 educators. Expand the appointment of Learner Support Agents to 3 135 to support vulnerable learners prioritising primary schools, using the care and support for teaching and learning framework • 218 370 copies of curriculum and assessment policy statement and COVID-19 compliant material, including material for learners with barriers to learning, printed and distributed to schools. Printing of the school policy pack will be prioritised over learner teacher support material to ensure that all schools have a copy of the Department of Basic Education's (DBE) National Policy on HIV, STIs and TB for learners, educators, support staff and officials in all primary and secondary schools in the basic education sector • Host advocacy and social mobilisation events with 167 891 learners, educators and school community members on the new DBE National Policy on HIV, STIs and TB to review and change societal norms and values on the provision of comprehensive sexuality education and access to sexual and reproductive health and TB services, including a focus on key risk behaviours such as alcohol and drug use, learner pregnancy, inter-generational and transactional sex amongst girls, multiple concurrent sexual partnerships, power relations, respect for girls and other issues that compel negative behaviour amongst boys, as well as to advocate for the integrated school health programme including provision of sexual and reproductive health services such as contraception, STIs, pregnancy and HIV testing, condom distribution and information on safe circumcision in secondary schools, as well as COVID-19 prevention and management
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • Provincial education departments (PEDs) must distribute the grant allocation in accordance with the following weights for the key performance areas: <ul style="list-style-type: none"> ○ support for COVID-19 prevention and management (to be integrated in existing focal areas) ○ training and development (15 per cent)

HIV and AIDS (Life Skills Education) Grant	
	<ul style="list-style-type: none"> ○ co-curricular activities (15 per cent) ○ care and support (25 per cent) ○ learning and teaching support material (15 per cent) ○ advocacy and social mobilisation (15 per cent) ○ monitoring and support (8 per cent) ○ management and administration (7 per cent) ● PEDs must report on implementation and expenditure according to the above seven key performance areas per quarter ● Instalments are dependent on the DBE receiving these reports, adherence to approved business plans and attendance at the biannual inter-provincial meetings ● The above percentages are guidance and may be deviated from in accordance with provincial needs with the approval of the national transferring officer. However, provinces must prioritise areas with high rates of HIV, TB and learner pregnancy ● Deviations should be informed and motivated by achievements and/or critical challenges relating to the trends in the epidemic as relevant to respective PEDs ● PEDs must ensure they have the necessary capacity and skills to manage the implementation of the grant ● First Aid Kits may no longer be funded from the conditional grant. In addition, condoms and sanitary towels must also not be funded from this conditional grant ● In response to the COVID-19 pandemic, grant funds may be used to support catch-up activities and to provide education on measures to respond to the pandemic. Provinces must submit revised business plans for these activities and request deviations from the grant allocation weights listed above
Allocation criteria	<ul style="list-style-type: none"> ● The education component of the provincial equitable share formula, as explained in part 4 of Annexure W1 of the 2022 Division of Revenue Bill, is used to allocate the grant amongst provinces
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● To enable the DBE to provide overall guidance, to ensure congruency, coherence and alignment with: <ul style="list-style-type: none"> ○ National Strategic Plan for HIV, TB and STIs (2017–2022) ○ DBE National Policy on HIV, STIs and TB for Learners, Educators, School Support Staff in all Primary and Secondary Schools in the Basic Education Sector ● This enables DBE to exercise an oversight role on the implementation of the HIV and AIDS Life Skills Education Programme in schools
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> ● Of the R187 million allocated to provinces, R187 million (100 per cent) was transferred to provinces, of which R171 million (92 per cent) was spent by the end of the financial year. Under-expenditure was noted in Eastern Cape, Gauteng, Limpopo and Mpumalanga <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> ● 16 340 life orientation educators and 8132 educators trained in integration of life skills in the curriculum ● 19 663 functional peer education programmes were undertaken, 16 694 learners trained on the learner retention and learner pregnancy programme, 26 875 learners trained in the substance abuse programme ● 10 032 school-based support teams established, 6006 learner support agents in schools, 7 675 school management teams trained to develop policy implementation plans, and 253 700 vulnerable learners identified and referred for services ● 242 497 sets of learning and teaching support material delivered to 18 054 schools ● Advocacy reached 86 450 learners and educators as well as 76 894 members of the school communities on the new DBE national policy on HIV, STIs and TB to review and change societal norms and values on the provision of comprehensive sexuality education and access to sexual and reproductive health and TB services and reaching 14 512 learners through advocacy activities focusing on the prevention of TB and COVID-19 prevention ● 9 158 schools reached through monitoring and support visits
Projected life	<ul style="list-style-type: none"> ● Grant will be reviewed on an ongoing basis to respond to nature and trends in the HIV and TB epidemics
MTEF allocations	<ul style="list-style-type: none"> ● 2022/23: R242 million; 2023/24: R242 million and 2024/25: R253 million
Payment schedule	<ul style="list-style-type: none"> ● Four instalments: 14 April 2022; 29 July 2022; 28 October 2022 and 27 January 2023
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> ● To provide evidence-based guidance towards the development of a standardised annual conditional grant framework and nine provincial specific annual business plans for the HIV and AIDS life skills education programme ● Identify risks and challenges impacting on provincial implementation ● Develop risk management strategies to address these risks ● Ensure synergy with national strategies and processes aimed at reducing HIV and related chronic illnesses, such as TB infection together with the associated risk factors, such as alcohol and drug use

HIV and AIDS (Life Skills Education) Grant	
	<ul style="list-style-type: none"> • Agree on outputs and targets with PEDs in line with grant objectives and national imperatives for 2023/24 from 23 September 2022 • Monitor implementation of the programme and provide support to provinces • Establish partnerships with key stakeholders • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> • Ensure synergy with national strategies and processes aimed at reducing HIV and TB infections and other related issues including the associated risk factors such as alcohol and drug use • Identify risks and challenges impacting on implementation • Develop risk management strategies and implementation plans to address these risks • Submit monthly reports, quarterly and annual performance evaluation reports to the DBE in line with the 2022 Division of Revenue Act and Public Finance Management Act • Agree with the DBE on outputs and targets to ensure effective implementation of the Programme • Monitor implementation of the Programme and provide support to districts and schools • PEDs to implement the projects according to the approved business plans • Any deviation should first be communicated to and approved by the DBE before implementation • Evaluate and submit a provincial evaluation report on the performance of the conditional grant to the DBE in May/June 2022 (date will be determined by the national department)
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Communication and meeting with provinces to inform targets for 2023/24 from 28 October 2022 • PEDs submit draft business plans to DBE for evaluation from 30 November 2022 • DBE evaluates provincial business plans from 9 December 2022 • Comments sent to PEDs to amend the plans from 11 January 2023 • PEDs submit amended and signed plans to DBE from 24 February 2023 DBE approves provincial business plans from 31 March 2023

Learners with Profound Intellectual Disabilities Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To ensure that learners with severe to profound intellectual disabilities access quality, publicly funded education and support
Grant purpose	<ul style="list-style-type: none"> • To provide the necessary support, resources and equipment to identified special care centres and schools for the provision of education to children with severe to profound intellectual disabilities
Outcome statements	<ul style="list-style-type: none"> • Improved access to quality basic education for children with severe to profound intellectual disabilities in conditions that ensure dignity, promote self-reliance and facilitate active participation in the community
Outputs	<ul style="list-style-type: none"> • Nine deputy chief education specialists as provincial grant managers and 245 transversal itinerant outreach team members appointed to provide support in special care centres and targeted schools • 505 special care centre data captured and managed using South African School Administration and Management System • 245 transversal itinerant outreach team members, 2970 caregivers, 1928 teachers, 408 in-service therapists and 510 officials trained on the learning programme for learners with profound intellectual disability and other programmes that support the facilitation of the learning programme • 9669 children with severe to profound intellectual disability supported through outreach services
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities • Annual budget and resource allocation schedules • Monitoring and reporting • Risk management plan • Cash flow projections • Participating centres and schools list (separate annexure) • Organogram for multi-disciplinary itinerant teams
Conditions	<p>Grant structure and allocation</p> <ul style="list-style-type: none"> • The grant is utilised on an interventional basis and is not a general source of funding for all special care centres and schools • The focus of the grant is children with severe to profound intellectual disabilities who are currently not accessing publicly funded education in special care centres • Learners with severe, mild and moderate intellectual disabilities and with specific learning difficulties enrolled in special care centres should be assessed for placement in schools • Schools that have enrolled learners from special care centres with profound intellectual disabilities should be supported through training and provision of necessary human and material resources to ensure continuous support for referred learners • A nationally approved learning programme for learners with profound intellectual disability should be offered at special care centres and targeted schools • The allocation of funds per provincial education department (PED) should be divided as follows: <ul style="list-style-type: none"> ○ five per cent for training of teachers, therapists, officials, caregivers and outreach teams ○ 18 per cent for learning and teaching support materials, classroom furniture and equipment for special care centres and designated schools for the benefit of learners with severe to profound intellectual disabilities ○ 65 per cent for compensation of transversal itinerant outreach team members and provincial grant managers ○ 12 per cent for administration including travel, vehicles, accommodation and subsistence • Provinces may deviate from the prescribed allocations only after having complied with the conditions of the framework and obtained the relevant approval from the transferring officer. Provinces may also revise their business plans in 2022/23 to accommodate spending on the COVID-19 response. The request for deviations must be submitted to the transferring officer not later than 18 November 2022 <p>Business planning process</p> <ul style="list-style-type: none"> • The transferring and receiving departments must appoint or identify qualified and experienced person/s to administer, manage and coordinate the activities of the grant in accordance with the provisions of the framework and business plan • The receiving department must appoint outreach teams, as part of district-based support team, made up of one senior education specialist (learning support - post level 3), one chief education occupational therapist, one chief education speech therapist, one chief education physiotherapist and an educational psychologist • Outreach teams must be appointed and compensated in accordance with post levels as agreed upon with the national Department of Basic Education (DBE) • Outreach team members must be appointed as part of the district-based support team and be based at the district, circuit or school level, in order to ensure integration of the services they provide into district plans

Learners with Profound Intellectual Disabilities Grant	
	<p>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</p> <ul style="list-style-type: none"> • Where in-service therapists are not available, outreach team members should provide therapeutic and any other support to learners with profound intellectual disabilities • 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 • 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 • The receiving departments, using outreach team members and other officials, must train caregivers, teachers, in-service therapists and officials on the learning programme for learners with profound intellectual 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 • Provinces may contract specialist training providers to offer training that cannot be facilitated by outreach team members to directly enhance the implementation of the learning programme for learners with profound intellectual disability • Administrative support will include purchasing or leasing of appropriate vehicles in cases where cars have not been purchased (one car per team), purchasing of tools of trade (in line with the DBE guidelines), fuel costs, and subsistence and accommodation costs when visiting special care centres and schools with travel distance of more than 200 km or in instances where the teams will spend more than one day in an area providing outreach services • Transport is provided for in the grant framework and hence costs incurred from use of own cars must be avoided <p>Procurement</p> <ul style="list-style-type: none"> • PEDs should utilise transversal contracts where available, unless they can demonstrate gains from an exemption in their business plans • The receiving departments must procure relevant and adequate learning and teaching support materials, classroom furniture and equipment, equipment for basic non-accredited skills programme for learners with severe intellectual disabilities that cannot be placed in schools and assistive devices for learners in special care centres as per the minimum specifications defined by DBE • The receiving department must procure specialised tools of trade and storage equipment in special care centres and where storage is inadequate • Procurement should include training of caregivers, teachers and end-users in the utilisation of all resources provided • To respond to the COVID-19 pandemic, provincial education departments may, subject to submitting a revised business plan for approval by DBE, use their allocations to fund: sanitisation and provision of personal protective equipment and relevant technology to support the provision of education to children with severe to profound intellectual disabilities • Provinces must report separately on COVID-19 expenditure, in their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act • <u>This framework must be read in conjunction with the practice note as agreed to with National Treasury</u>
Allocation criteria	<ul style="list-style-type: none"> • Allocations consider the number of special care centres, children with severe or profound intellectual disabilities (CSPID) in special care centres, schools that have enrolled learners referred from special care centres per province as well as the urban and rural nature of each province
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • In order to address the needs of this marginalised population of children with severe 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 the DBE to provide overall guidance to ensure congruence and coherence in programme implementation
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R243 million allocated to provinces, R226 million (93 per cent) was transferred to provinces. R218 million (89.7 per cent) was spent by the end of the financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • Seven of the targeted nine provincial grant managers were retained to manage the grant • 210 of the targeted 245 transversal itinerant outreach team members were retained to provided outreach services to learners in special care centres and selected schools • 10 202 learners were provided with a range of services • 210 transversal itinerant outreach team members, 2 409 caregivers, 783 teachers, 124 in-service therapists and 343 officials were trained • 3 423 learners with profound intellectual disability (3 255 in special care centres 168 in schools) were taught using the learning programme for learners with profound intellectual disability • 1 290 learners with severe to profound intellectual disability received therapy • 394 special care centres and 44 selected schools were provided with learning and teaching support materials • 280 received assistive devices for personal use

Learners with Profound Intellectual Disabilities Grant	
Projected life	<ul style="list-style-type: none"> The grant framework will be reviewed on an ongoing basis to respond to the nature and trends in the education of learners with severe to profound intellectual disabilities
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R255 million; 2023/24: R260 million and 2024/25: R272 million
Payment schedule	<ul style="list-style-type: none"> Transfer payments shall be effected in April 2022; August 2022 and January 2023
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Evaluate, approve and submit provincial business plans to National Treasury Refine monitoring and evaluation guidelines tools that will be used to monitor and evaluate the implementation of the grant Refine Standard operation procedures and tools that will be used to enhance performance management and accountability Work with PEDs in developing a guiding document to guide PEDs with the appointment of practitioners in 2023/24 on a 12-month contract to implement the Learning Programme in special care centres and the appointment of class assistants in 2023/24 on a 12-month contract to support teachers in schools that have enrolled learners from special care centres Train provincial grant managers and transversal itinerant outreach team members on programmes that will ensure effective implementation of the grant including the Learning Programme for learners with profound intellectual disabilities Monitor and support implementation of the grant by PEDs Collaborate with other government departments and ensure the provision of integrated services to CSPID DBE must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Develop and submit approved business and procurement plans to the DBE Manage the implementation of business plans in line with the 2022 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 Ensure systems, capacity and controls are in place to ensure the successful implementation of the grant Facilitate the appointment of outreach team members and grant managers in permanent posts as per the grant conditions Work with the DBE in developing a document to guide PEDs on the appointment of practitioners in 2022 on a 12-month volunteer contract to implement the learning programme in special care centres Work with the DBE in developing a document to guide PEDs on the appointment of class assistants in 2022 on 12-month contracts to support teachers in schools that have enrolled learners from special care centres Ensure grant activities are implemented as approved in the business plans. Any deviation should first be communicated to the DBE in writing and approved by the transferring officer before implementation Monitor, support and quality assure the provision of outreach services to special care centres and school on a monthly and quarterly basis or as and when required Use the Department of Basic Education systems to manage special care centre data Ensure that children enrolled in special care centres are incrementally enrolled in schools on an annual basis Ensure compliance with reporting requirements by providing consolidated quality assured and approved quarterly reports 30 days after the end of the quarter Facilitate collaboration with key government departments in the delivery of services to C/LSPID. This will entail the establishment of inter-departmental structures that will ensure integrated service delivery of services to C/LSPID
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Communication and meeting with provinces to inform targets for the next financial year by 26 August 2022 PEDs submit draft business plans to DBE for evaluation by 28 October 2022 DBE evaluates provincial business plans by 16 November 2022 Comments sent to PEDs to amend the plans by 14 December 2022 PEDs submit amended and signed-off plans to DBE by 27 January 2023 DBE approves provincial business plans by 17 March 2023

Maths, Science and Technology Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To strengthen the implementation of the National Development Plan and the Action Plan to 2019 by increasing the number of learners taking mathematics, science and technology subjects, improving the success rates in the subjects and improving teachers' capabilities
Grant purpose	<ul style="list-style-type: none"> • To provide support and resources to schools, teachers and learners in line with the Curriculum Assessment Policy Statements (CAPS) for the improvement of mathematics, science and technology teaching and learning at selected public schools
Outcome statements	<ul style="list-style-type: none"> • Improved learner participation and success in mathematics, science and technology subjects in the country
Outputs	<ul style="list-style-type: none"> • School support <ul style="list-style-type: none"> ○ 485 schools supplied with subject specific computer hardware and related software in accordance with the minimum specifications prescribed by CAPS including coding and robotics pilot schools ○ 232 technical (including pilot schools for the vocationally oriented curriculum) and agricultural schools' workshop tools, machinery, equipment and consumables for technology subjects repaired, maintained and/or replaced in accordance with the minimum specifications ○ 1256 laboratories supplied with apparatus and consumables for mathematics, science and technology subjects in accordance with the minimum specifications including coding and robotics kits • Learner support <ul style="list-style-type: none"> ○ 50 000 learners registered for participation in mathematics, science and technology olympiads/fairs/expos and other events based on a structured annual calendar including support through learner camps and additional learning, teaching and support material such as study guides • Teacher support <ul style="list-style-type: none"> ○ 1500 participants attending specific structured training and orientation for teachers and subject advisors in subject content and teaching methodologies on CAPS for electrical, civil and mechanical technology, technical mathematics, and technical sciences ○ 1000 teachers and subject advisors attending targeted and structured training in teaching methodologies and subject content either for mathematics, physical, life, natural and agricultural sciences, technology, computer applications technology, information technology, agricultural management and technology subjects
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities • Annual budget and resource allocation schedules • Monitoring and reporting • Risk management plan • Cash flow projections • Participating schools list (separate annexure)
Conditions	<p>Grant structure and allocations</p> <ul style="list-style-type: none"> • The grant is utilised on an interventional basis and is not a general grant for all schools • Schools' needs and allocation of funds must be identified through criteria indicated in the framework in partnership with provinces and districts in the preceding financial period • The grant will support a total of 1 256 schools across all provinces covering all mathematics, science and technology subjects from grades R-12 • The grant will support the Department of Basic Education (DBE)-Cuba Mathematics, Science and Technology Subjects Support Programme in the Eastern Cape, Gauteng, Limpopo and KwaZulu-Natal provinces • The allocations should be divided in accordance with the following guideline for Eastern Cape, Gauteng, Limpopo and KwaZulu-Natal: <ul style="list-style-type: none"> ○ 34 per cent for information communication technologies including coding and robotics resources ○ 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 ○ 15 per cent for laboratory equipment/apparatus, manipulatives and consumables including coding and robotics ○ 15 per cent for teacher support including teacher support for coding and robotics and vocationally oriented curriculum pilots ○ 14 per cent for learner support including learners in teaching mathematics for understanding pilot schools ○ one per cent for grant administration, monitoring, support and evaluation ○ six per cent for the DBE-Cuba Mathematics, Science and Technology Subjects Support Programme, including remuneration • The allocations should be divided in accordance with the following guideline for Free State, Northern Cape, Mpumalanga, North West and Western Cape:

Maths, Science and Technology Grant	
	<ul style="list-style-type: none"> ○ 40 per cent for information communication technologies including coding and robotics resources ○ 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 ○ 15 per cent for laboratory equipment/apparatus, manipulatives and consumables including coding and robotics ○ 15 per cent for teacher support including teacher support for coding and robotics and vocationally oriented curriculum pilots ○ 14 per cent for learner support including learners in teaching mathematics for understanding pilot schools ○ one per cent for grant administration, monitoring, support and evaluation <p>Priorities</p> <ul style="list-style-type: none"> • All the grant outputs are prioritised in accordance with the allocation percentages unless the province has requested a deviation and this is approved by the transferring officer <p>Outputs</p> <ul style="list-style-type: none"> • ICT resource items should be procured as per the minimum specifications defined by the DBE and in line with CAPS. Subject specific ICT resources refer to hardware and software, which are compulsory and required by the curriculum. The grant also supports the training of all end-users in the utilisation of all ICT resources provided to a school • Workshop equipment and machinery items should be supplied, repaired, maintained and/or replaced where appropriate in order to meet the minimum specifications defined by the DBE and in line with CAPS • Laboratories' workshop equipment, apparatus and consumables should be procured as per the minimum specifications as defined by the DBE and in line with CAPS. This should be prioritised in line with the budget allocated to this item. These resources are provided to improve practical teaching and learning in all mathematics, science and technology subjects with special attention to mathematics and physical science • Learner support is provided to all identified learners in line with provincial needs in support of curriculum delivery based on a structured annual calendar. This includes competition participation expenses, learner coaching, printing, delivery and mediation of study materials. This support includes study camps for identified learners as per the provincial programme including a focus on girl learners. Teaching Mathematics for Understanding support material Learner Activity Book • Teacher support is provided to all identified teachers in line with provincial needs in support of curriculum delivery. Teacher training or development should be based on a structured programme, which must be submitted to the transferring department as and when required. No ad-hoc training will be supported from the grant <p>Grant administration, monitoring and evaluation</p> <ul style="list-style-type: none"> • All provincial grant managers are supported to manage, administer, monitor and evaluate the implementation of the grant in line with the business plan. The support includes payment for expenses such as travelling, accommodation, stationery, flight fares, subsistence and other incidental costs <p>Procurement</p> <ul style="list-style-type: none"> • Provinces must participate in DBE's 3 year transversal contract to enable PEDs to secure 3 year contracts, but may request permission for exemption if they can demonstrate gains from such exemption. In the absence of a DBE transversal tender, provinces must continue to procure on their own • The grant funds and implementation (procurement, delivery and payment) must be managed at provincial level unless a transversal tender has been issued or the school has demonstrated capacity, systems and controls to efficiently manage the processes of the grant • Before funds can be transferred to schools, there should be assurance that systems, controls and capacity to manage the funds, implementation and delivery processes of the grant are in place • In response to the COVID-19 pandemic, grant funds may be used to support catch-up activities
Allocation criteria	<ul style="list-style-type: none"> • Participating schools should be identified according to the following criteria: <ul style="list-style-type: none"> ○ priority should be given to schools classified in quintiles 1-3 ○ provinces may include schools in quintile 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) ○ primary schools will be supported as feeder schools to secondary schools participating in the grant based on the provincial needs analysis in line with the outputs of the grant ○ at least 30 learners are enrolled for each grade in mathematics and science subjects at a general education and training, and further education and training (FET) band, and 15 learners are enrolled for technology subjects in further education and training band ○ agricultural schools, technical schools including pilot schools for vocationally oriented curriculum ○ pilot schools for coding and robotics curriculum
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The grant is a targeted systemic capacity improvement programme. The number of schools requiring support is not proportionally distributed across the provinces. The level of support required by schools differs across provinces
Past performance	<p>2020/21 Audited Financial Outcomes</p> <ul style="list-style-type: none"> • Of the R333 million allocated to provinces, R333 million (100 per cent) was transferred to provinces. R347 million (104 per cent) was spent by the end of the financial year. Overspending of R14 million will be covered from the approved rollovers for 2019/20 financial year <p>2020/21 service delivery performance</p>

Maths, Science and Technology Grant	
	<ul style="list-style-type: none"> • Information, communication and technology (ICT) <ul style="list-style-type: none"> ○ 1052 schools (30: Eastern Cape, 197: Free State, 145: Gauteng, 139: KwaZulu-Natal, 106: Limpopo, 131: Mpumalanga, 39: Northern Cape, 100: North West and 165: Western Cape) • Workshop equipment, machinery and tools <ul style="list-style-type: none"> ○ 188 schools (31: Eastern Cape, 20: Free State, 15: Gauteng, 32: KwaZulu-Natal, 0: Limpopo, 26: Mpumalanga, 13: Northern Cape, 19: North West and 32: Western Cape) • Laboratories and workshop equipment, apparatus and consumables <ul style="list-style-type: none"> ○ 686 schools (99: Eastern Cape, 154: Free State, 0: Gauteng, 88: KwaZulu-Natal, 0: Limpopo, 136: Mpumalanga, 27: Northern Cape, 72: North West and 110: Western Cape) • Learner support <ul style="list-style-type: none"> ○ 70 358 learners (250: Eastern Cape, 30 000: Free State, 0: Gauteng, 13 914: KwaZulu-Natal, 0: Limpopo, 13 644: Mpumalanga, 10 500: Northern Cape, 0: North West and 2 050: Western Cape) • Teacher support <ul style="list-style-type: none"> ○ 14 364 Teachers (260: Eastern Cape, 0: Free State, 0: Gauteng, 275: KwaZulu-Natal, 1 310: Limpopo, 796: Mpumalanga, 1 142: Northern Cape, 10 142: North West and 439: Western Cape)
Projected life	<ul style="list-style-type: none"> • Grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R425 million; 2023/24: R433 million and 2024/25: R453 million
Payment schedule	<ul style="list-style-type: none"> • 6 May 2022; 12 August 2022; 11 November 2022 and 3 February 2023
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Identify and analyse areas requiring support in mathematics, science and technology • Evaluate, approve and submit provincial business plans to National Treasury • Provide the administrative services for the grant (manage, coordinate, monitor and support programme implementation at all levels) • Develop and distribute planning, implementation, monitoring and evaluation guidelines and/or templates including minimum specifications for school resources • The transferring officer must develop centralised procurement processes that provinces can participate in • Ensure compliance with reporting requirements in line with the provisions of the Division of Revenue Act • Monitor implementation at provincial, district and school level on a quarterly basis or as and when required, in line with the grant framework • Evaluate the performance of the conditional grant and submit an evaluation report to National Treasury as per the requirements of the Division of Revenue Act
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Identify and analyse areas requiring support in mathematics, science and technology • Develop and submit approved business plans to DBE • Submit lists of schools to DBE as per the timeframes set in the grant framework • Develop and submit an approved procurement plan in line with the business plan targets by the end of the financial year • Ensure compliance with reporting requirements by providing consolidated monthly expenditure reports 15 days after the end of the month, and quarterly reports 30 days after the end of the quarter including other monitoring or diagnostic reports and reviews as required from time to time • Manage and implement the programme in line with the Division of Revenue Act and the Public Finance Management Act • Where applicable, participate in transversal tenders issued by the DBE or other provinces in order to procure goods and services related to the outputs of the grant • Monitor and provide support to districts/regions, circuits and schools on a monthly and quarterly basis or as and when required • Provide human resource capacity at all relevant levels including the appointment or identification of a qualified and experienced person/s to administer, manage and co-ordinate the activities of the grant in accordance with the provisions of the framework and compliance certificates • Evaluate the performance of the grant and submit evaluation reports to DBE within two months after the end of the financial year • Implement projects according to the approved business plan. Any deviation should be communicated in writing and approved by the transferring officer before implementation • Submit school's business plans to DBE by the end of June every year if funds are being transferred to schools
	<p>Responsibilities of schools</p> <ul style="list-style-type: none"> • Submit school's needs on mathematics, science and technology to the districts as required by the province • Submit school's business plans to provinces before funds can be transferred to schools • Submit quarterly mathematics, science and technology activity reports on equipment, machinery, consumables, maintenance, learner and teaching support material and training support • Submit learner performance data for all grades in mathematics, science and technology subjects to the district and grant manager • Ensure that capacity, systems and controls are in place to implement the grant, to receive funds where a transfer to a school has been agreed upon • Receive funds from provincial departments of education and manage the procurement, delivery and payment processes where necessary

Maths, Science and Technology Grant	
	<ul style="list-style-type: none"> • Participate in relevant structures that have been put in place to support implementation of the grant such as annual principals' meetings • Monitor and ensure the quality of work of the service providers and sign-off on the completeness of the service delivery processes
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • The first draft of the consolidated provincial business plans and revised school lists to be submitted to DBE for appraisal by 28 October 2022 • The DBE team will meet to evaluate the consolidated business plans by 11 November 2022 • The comments on the business plans will be sent to provinces for amendments by 14 December 2022 • Provinces will be required to submit approved deviations before submitting amended business plans on 27 January 2023 • Provinces will be required to submit the provincially approved amended business plans to DBE by 24 February 2023 • DBE will approve the final business plans by 9 March 2023 DBE's transferring officer approves business plans to be submitted to the National Treasury by 17 March 2023

National School Nutrition Programme Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To enhance learning capacity and improve access to education
Grant purpose	<ul style="list-style-type: none"> • To provide nutritious meals to targeted schools
Outcome statements	<ul style="list-style-type: none"> • Enhanced learning capacity and improved access to education
Outputs	<ul style="list-style-type: none"> • 21 000 schools that prepare nutritious meals for learners
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities • Risk management plan
Conditions	<ul style="list-style-type: none"> • Spending must be in line with national and provincial business plans • The budget allocation must be distributed in terms of the following weightings for both secondary and primary schools and such weightings may be amended to enable compliance with COVID-19 requirements: <ul style="list-style-type: none"> ○ school feeding: minimum of 97 per cent ○ kitchen facilities, equipment and utensils: minimum of 0.3 per cent and not exceeding R10 million ○ administration: maximum of 2.5 per cent ○ nutrition education (including deworming and hygiene practices): maximum of 0.2 per cent • Minimum feeding requirements: <ul style="list-style-type: none"> ○ provide nutritious meals to learners in quintile 1 - 3 primary and secondary schools, as well as identified special schools in line with gazetted amended on all school days ○ provide nutritious meals to targeted learners in identified quintile 4 and 5 schools in line with available resources ○ meal costs per learner will increase at a minimum of five per cent in all benefiting primary schools and three per cent for all secondary schools. Far-flung/low enrolment farm and rural schools that are receiving funds directly should be allocated a higher meal cost to cover higher transport costs ○ pay honorarium of a minimum of R1 640 per person plus R16.40 per person ○ the Unemployment Insurance Fund based on a food handler to learner ratio of 1:200. Food handlers must be allocated in line with approved sliding scales submitted with provincial business plans ○ comply with approved food specifications and menu specifications consisting of meals containing: starch, protein and fresh vegetable/fruit ○ fresh vegetables/fruits must be served daily and vary between green, yellow and red ○ a variety of protein-rich foods must be served in line with approved menu options ○ raw sugar beans must be packed separately from samp, not mixed in one packet ○ soya mince should not be served more than once a week and must meet approved specifications Soya may not be used as seasoning/thickening for other dishes ○ canned pilchards/mackerel/sardines must be served at least once a week. High quality protein products can replace pilchards in areas where these are not socially acceptable ○ seasoning should be provided for all meals except on the day when milk is served ○ ultra-high temperature (UHT) treated full cream milk or pasteurised maas must be served once a week. Milk must be approved in line with dairy standards set by Milk South Africa • Provinces must support and promote sustainable food production and nutrition education in schools • Provinces must promote local economic empowerment, including procurement of fresh produce from smallholder farmers. The farmers should be registered with the Department of Agriculture, Land Reform and Rural Development and adhere to good agricultural practices • Provinces that are transferring funds for meals to schools (Eastern Cape, Free State, Limpopo, Northern Cape and North West) are required to reconcile expenditure by schools against budget transfers on a quarterly basis • Provincial business plans will be approved in line with the above minimum requirements and available resources. The following variations may be approved by the transferring officer based on achievements and/or critical challenges in each province: <ul style="list-style-type: none"> ○ feeding days reduced to a minimum number of days determined on the basis of the gazetted school calendar ○ feeding cost below the minimum requirements, provided the quality of meals is not compromised ○ reduction in the number of learners due to learner verification ○ number of learners that exceed the gazetted quintiles ○ serving of processed vegetables or fruit in remote areas ○ quintile 1-3 schools that do not feed all learners (Gauteng and Western Cape) need to approve letters from schools requesting a deviation from whole school feeding. These letters must be provided to the provincial office and kept on record ○ deviation requests from approved business plan activities must be submitted to the transferring officer not later than November 2022

National School Nutrition Programme Grant	
	<ul style="list-style-type: none"> • Provinces must update and submit databases on kitchen facilities, equipment and utensils by 24 August 2022 and provide a procurement plan. • The flow of the first instalment of the grant depends upon receipt by the Department of Basic Education (DBE) of: <ul style="list-style-type: none"> ○ submission of the approved transfer schedules for the 2022/23 financial year by provinces that are transferring funds to schools ○ submission of quarterly performance (narrative and indicators) and financial reports • The flow of the May 2022 instalment of the grant depends upon receipt by the DBE of quarterly performance (narrative and indicators) and financial reports • The flow of the December 2022 and the January 2023 instalments of the grant depends upon receipt by the DBE of: <ul style="list-style-type: none"> ○ evidence (copies of orders, invoices, etc.) of procured kitchen facilities, equipment and utensils including the names of benefiting schools ○ evidence of procurement of resources to district offices in line with approved business plans ○ submission of quarterly performance (narrative and indicators) and financial reports • Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of budget transfers • To respond to the COVID-19 pandemic, provinces may use grant funds for additional sanitisation in food preparation and distribution areas and the provision of personal protective equipment and training on safety measures for volunteer food handlers • If schools are closed due to a declared state of disaster, funds from the grant that would have been spent on providing meals in schools may instead be used to provide meals to learners through alternative means • Food parcels may be provided at a minimum of R170 nutritious food items per learner per month in line with available resources • Provinces must report on COVID-19 activities and expenditure as part of their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> • The distribution formula is poverty-based in accordance with the poverty distribution table used in the national norms and standards for school funding as gazetted by the Minister of Basic Education on 17 October 2008 • Unallocated amounts will be distributed based on needs assessment reports submitted by provinces
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The National School Nutrition Programme (NSNP) is a government programme for poverty alleviation, specifically initiated to uphold the rights of children to basic food and education • The conditional grant framework enables the DBE to play an oversight role in the implementation of all NSNP activities in schools
Past performance	<p>2021/22 audited financial outcomes</p> <ul style="list-style-type: none"> • The programme allocation was at R7.6 billion, the spending at the end of the financial year was at R7.1 billion. The under-expenditure was due COVID-19 restrictions <p>2021/22 service delivery performance</p> <ul style="list-style-type: none"> • 9.6 million learners were provided with meals in 21 000 primary, secondary and special schools • 61 471 volunteer food handlers prepared meals for learners • 3 477 small and medium enterprises and local cooperatives were contracted to supply food to learners
Projected life	<ul style="list-style-type: none"> • It is envisaged that, given the high poverty and unemployment rates in the country, the need for such a grant will persist for at least another 10 years. The programme ensures that learners from the poorest communities have decent opportunities to learn
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R8.5 billion; 2023/24: R8.9 billion and 2024/25: R9.3 billion
Payment schedule	<ul style="list-style-type: none"> • The payment schedule will be in line with respective provincial procurement models as follows: <ul style="list-style-type: none"> ○ provinces that transfer funds directly to all schools (Eastern Cape, Free State, North West and Northern Cape) receive five instalments as follows: 7 April 2022; 19 May 2022; 20 June 2022; 8 September 2022 and 8 December 2022 ○ provinces that procure from service providers on behalf of schools receive five instalments as follows: 7 April 2022; 19 May 2022; 19 July 2022; 13 October 2022 and 26 January 2023 ○ the 20 May 2022 budget transfer is for kitchen facilities, equipment and utensils as per equipment specifications provided by the DBE ○ payment schedules may be revised in line with implementation and spending trends
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Evaluate, approve and submit provincial business plans to the National Treasury • Manage, monitor and support programme implementation in provinces and districts • Ensure compliance with reporting requirements and National School Nutrition Programme guidelines • Transfer funds to provinces in line with the approved payment schedule • Consolidate and submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter • Evaluate performance of the conditional grant and submit an evaluation report to the National Treasury four months after the end of the financial year

National School Nutrition Programme Grant	
	<ul style="list-style-type: none"> • DBE must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act, and share these reports with the National Disaster Management Centre
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Develop and submit approved business plans to the DBE and amend business plans to incorporate COVID-19 activities. The business plans should include databases reflecting distribution of volunteer food handlers and cooking fuel per school • Monitor and provide support to districts/regions/area project officers and schools • Manage and implement the programme in line with the 2022 Division of Revenue Act and the Public Finance Management Act • Update and submit databases on kitchen facilities, equipment and utensils by 24 August 2022 • Ensure that districts are resourced in line with provincial business plans to conduct effective monitoring and support to schools in line with Goal 27 of the Action Plan to 2019, Towards the Realisation of Schooling 2030 • Consult districts on the development and implementation of their provincial business plans • Implement monitoring and evaluation plans • Provide human resource capacity at all relevant levels • Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE two months after the end of the financial year • Submit quarterly financial and performance reports including consolidated monitoring, reporting and response system reports to DBE after the end of each quarter • Provinces that are transferring funds to schools are required to: <ul style="list-style-type: none"> ○ develop and submit approved 2022/23 transfer schedules reflecting actual dates on which funds will be transferred to schools by 7 April 2022 ○ reconcile expenditure by schools against budget transfers on a quarterly basis. Reports for June 2022 and December 2022 on actual expenditure by schools should be submitted six weeks after the end of the quarter
	<p>Responsibilities of districts</p> <ul style="list-style-type: none"> • Monitor and support schools • Submit monthly and quarterly reports (narrative and expenditure reports to the provincial department, as well as reports on expenditure by schools, where applicable). This should include consolidated monitoring, reporting and response system reports, where applicable • Coordinate all National School Nutrition Programme activities in the district
	<p>Responsibilities of schools</p> <ul style="list-style-type: none"> • Implement the programme in line with the conditions of the National School Nutrition Programme framework • Submit reports to districts as per the provincial reporting requirements, i.e. performance and expenditure reports • Safeguarding of programme resources, i.e. cooking facilities, equipment and utensils
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • First inter-provincial meeting by May 2022 • Consultation with district officials, provincial treasuries, provincial finance sections and the National Treasury on business plans in June 2022 • Provinces submit first draft business plans to the DBE by July 2022 • DBE evaluates first draft business plans and sends comments to provinces by August 2022 • Provinces submit final approved business plans and requisite attachments to DBE by November 2022 • The transferring national officer to approve national and provincial business plans by 31 March 2023

School Infrastructure Backlogs Grant	
Transferring department	<ul style="list-style-type: none"> • Basic Education (Vote 16)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • The eradication of inappropriate education structures and backlogs in basic services
Grant purpose	<ul style="list-style-type: none"> • Eradication of all inappropriate school infrastructure • Provision of water, sanitation and electricity to schools
Outcome statements	<ul style="list-style-type: none"> • Improved access to enabling learning and teaching environments • Build the capacity of provinces benefiting from an indirect grant allocation to carry out this function in the future
Outputs	<ul style="list-style-type: none"> • Number of inappropriate schools replaced and provided with related school furniture • Number of schools provided with water • Number of schools provided with sanitation • Number of times water tanks installed in schools are refilled
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses an infrastructure programme management plan (IPMP) that includes the following: <ul style="list-style-type: none"> ○ institutional framework ○ procurement and contract management plan ○ scope management ○ time management plan ○ cost management plan ○ risk management plan ○ quality management plan ○ monitoring and reporting details ○ budgeting and programme accounting details ○ performance management plan ○ communication management plan
Conditions	<ul style="list-style-type: none"> • This is an in-kind grant administered by the national Department of Basic Education (DBE) that may be transferred to a province through the Education Infrastructure Grant (EIG) if the province is able to demonstrate through a proven track record, that it has the capacity to implement the projects • DBE must submit to National Treasury an infrastructure programme management plan by 11 February 2022 • Programme governance will be conducted by the following committees established to ensure that various processes are initiated within the programme: <ul style="list-style-type: none"> ○ national steering committee ○ technical committee ○ project steering committee ○ infrastructure bid specification and evaluation committee ○ infrastructure bid adjudication committee • The provincial planning and monitoring teams or equivalent in each province should meet monthly to ensure information flows between the stakeholders, unblock processes, monitor progress, and enhance cooperation • DBE must load all infrastructure funded projects in the Infrastructure Reporting Model before the start of the financial year (01 April 2022) • DBE must submit monthly project reports with cash flows to National Treasury 15 days after the end of each month, that show how actual payments and cash flows reconcile with the projected cash flow schedule and explain any deviations from the original projected cash flow • DBE must update the infrastructure project details for each funded project in the infrastructure reporting model. This must be approved and submitted to National Treasury within 22 days after the end of each quarter • Assets will be transferred to custodians in the respective provinces at final completion. The provincial education departments must report in their annual report how the schools have been considered in their future maintenance plans • The DBE must agree in writing with the provinces on projects that they will administer on behalf of each province • DBE and/or implementing agents must ensure skills transfer takes place as part of the implementation of projects
Allocation criteria	<ul style="list-style-type: none"> • The grant allocation is based on the distribution of inappropriate structures and schools without access to water and sanitation across provinces • Final allocations will be based on the finalised infrastructure programme management plan of the DBE as approved by the transferring officer
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant to eradicate the basic safety norms backlogs in schools without water, sanitation and electricity, and to replace those schools constructed from inappropriate material, including mud schools, to contribute towards improved learning and teaching. The grant will be administered by the DBE to achieve maximum impact in the shortest time possible

School Infrastructure Backlogs Grant	
Past performance	<p>2020/21 audited financial performance</p> <ul style="list-style-type: none"> Allocated and transferred R1.9 billion of which R1.3 billion (68 per cent) was spent by the end of the national financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> 275 new schools built, 1115 schools provided with water, 1140 schools provided with sanitation and 372 schools provided with electricity (electricity sub-programme has been completed) 3 750 schools provided with emergency water 1 451 schools provided with emergency sanitation
Projected life	<ul style="list-style-type: none"> The grant will be reviewed on an ongoing basis to respond to the nature of the infrastructure projects and the ability of provinces to take over
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R2.4 billion; 2023/24: R2.1 billion and 2024/25: R2.2 billion
Payment schedule	<ul style="list-style-type: none"> Payments will be made according to verified invoices from service providers or advance payments in line with approved memoranda of agreement, implementation plans and reviewed monthly cash flow projections from implementing agents
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Undertake planning of processes, activities, and accelerated school infrastructure delivery initiative (ASIDI) programme policies required to realise the outputs and identify required resources Undertake the necessary procurement measures to secure the services of implementing agents, professional service providers, contractors and secondary procurement objectives to respond to the scope of work identified in the infrastructure programme management plan Monitor and evaluate performance of the programme support unit, implementing agents, conduct project site inspections at selected sites to verify progress and quality of the works to secure programme outputs and deliverables Harness the opportunities offered through the programme to contribute towards skills development The DBE must submit a draft skills transfer and capacity building plan for Schedule 6, Part A allocations to National Treasury by 30 June 2022 and a final plan must be submitted to National Treasury by 31 August 2022. The skills transfer and capacity building plan must set out how the capacity of benefiting provinces will be developed so that they can continue to perform the function after the Schedule 6, Part A funded project ends. The plan must set measurable targets that will be achieved over the 2022 medium-term expenditure framework. The plan must set out how existing and new capacity building initiatives will be used to achieve these targets DBE must submit an annual assessment of progress against its skills transfer and capacity building plan to National Treasury two months after the end of the national financial year DBE will convene and chair meetings of the national steering committee which will: <ul style="list-style-type: none"> provide strategic direction to the ASIDI programme provide general oversight on the programme ensure that the management of the programme brings together those players responsible for different elements of project success and ensure a holistic approach in support of the programme ensure that standards are in line with different prescripts e.g. norms and standards for school infrastructure are adhered to facilitate the establishment of sub-programme management, their membership, reporting modalities and their interaction with the steering committee establish the modalities linking the targeted provincial education departments with DBE supervise the programme and ensure appropriate coordination and cooperation between different agencies and departments involved facilitate the linkages between national stakeholders such as the National Treasury (infrastructure delivery improvement plan), Construction Industry Development Board, and the national departments of Human Settlements, Water and Sanitation, Minerals and Energy, and Public Works and Infrastructure ensure ASIDI strategies and targets are in line with national goals and targets monitor progress in terms of national goals and targets assist the management of the programme in solving particular issues that may arise and that may require the intervention of the committee report to the Minister of Basic Education, the Council for Education Ministers, the heads of education departments committee, and senior management DBE must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery Develop a sector procurement strategy and procurement strategy for this grant in terms of the practice guide prescribed by the infrastructure delivery management toolkit DBE will develop a procurement strategy for this grant that will lead to the quickest possible achievement of the grant objectives which may require the clustering of projects across provincial boundaries Submit an approved infrastructure programme management plan including projects list to the National Treasury Ensure compliance with reporting requirements and adherence to projected cash flow schedules Consolidate and submit quarterly reports to National Treasury and the National Council of Provinces within 45 days after the end of each quarter

School Infrastructure Backlogs Grant	
	<ul style="list-style-type: none"> • Conduct site visits to selected projects to assess performance • Create the necessary organisational structures and build capacity within the department to oversee and monitor the implementation of the grant • DBE must ensure that the heads of education departments committee meets at least once a month and is provided with sufficiently detailed reports to assess project implementation and projected cash flow schedules reconciled at the end of the month preceding the monthly meetings • Provide an operations and maintenance manual to the provincial education departments
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provide the list of schools to be included in the ASIDI programme • Ensure that the list of schools identified includes all the schools that were not constructed of appropriate materials in their entirety • Ensure that the list of schools identified includes all the schools that never had basic sanitation, water and electricity • Ensure that, where schools are identified for rationalisation and mergers, DBE is made aware on time, in writing, and that all necessary supporting documents are provided • Establish provincial planning and monitoring teams that will provide support to the DBE when implementing projects funded by this grant • Convene the provincial planning and monitoring teams and report to the national steering committee • Generate a maintenance plan from the operations and maintenance manual provided
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Submission to National Treasury by DBE of the infrastructure programme management plan for 2023/24 projects by 15 February 2023

COOPERATIVE GOVERNANCE GRANT

Provincial Disaster Response Grant	
Transferring department	<ul style="list-style-type: none"> • Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> • Schedule 7, Part A
Strategic goal	<ul style="list-style-type: none"> • To enable timely response to address community needs regarding impending or disastrous events classified by the National Disaster Management Centre
Grant purpose	<ul style="list-style-type: none"> • To provide for the immediate release of funds for disaster response subject to compliance with section 2(1)(b) of the Disaster Management Act
Outcome statements	<ul style="list-style-type: none"> • Immediate consequences of disasters are mitigated or alleviated
Outputs	<ul style="list-style-type: none"> • Emergency repair of critical infrastructure • Emergency provision of critical goods and services
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • Applications for funding from this grant use the National Disaster Management Centre (NDMC) disaster grant guideline which includes the following: <ul style="list-style-type: none"> ○ copy of the classification of disaster in terms of the Disaster Management Act ○ copy of the applicable contingency plan and emergency procedures in use by the province (in terms of section 35(1)(d) of the Disaster Management Act) ○ prevention and mitigation strategies as per the disaster management plan ○ copy of the classification of disaster in terms of the Disaster Management Act and documentation linked to sections 56 and 57 of the same Act ○ number of people, households, livestock and infrastructure affected and the extent of damages and losses ○ sectors affected ○ total funds required for disaster response and relief measures ○ resources (both financial and in-kind) allocated by the province to respond and mitigate the effects of the disaster ○ resources (both financially and in-kind) committed by other role players, including municipalities, national departments, state owned entities and non-government organisations ○ the affected provincial sector department must indicate funds spent or contributed towards dealing with the disaster ○ support received from non-government organisations and businesses or any other stakeholder ○ cost-benefit analysis of the projects to be implemented • An implementation plan with the following: <ul style="list-style-type: none"> ○ details of the projects to be repaired including Global Positioning System (GPS) coordinates ○ costs of the projects ○ consolidated projects cash flow over six-month period as an annexure to the implementation plan • An application for funding contribution from the Provincial Disaster Response Grant may be based on the rapid assessment and preliminary versions of the supporting documentation required above may be accepted for the funding application • <u>Specifics on the rapid response capacity to implement the projects and account for allocated funding</u>
Conditions	<ul style="list-style-type: none"> • 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 • 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 • Funds from this grant must be utilised within six calendar months following the date of the transfer of the funds to the province • A provincial department may request the NDMC through their Provincial Disaster Management Centre (PDMC) that an allocation be utilised more than six calendar months after the date of transfer in terms of section 25(3)(d) of the Division of Revenue Act. NDMC to notify National Treasury of any approved extensions • The emergency procurement system as provided for in the Public Finance Management Act should be invoked by the provincial department to ensure immediate response and relief measures to support affected communities • Funds may only be used in line with the approved implementation plan. Any amendments to the implementation plan must be approved by the NDMC and copies of the approved amendments shared with National Treasury • The provincial department must provide details of their capacity in implementing emergency projects and accounting for allocated funding
Allocation criteria	<ul style="list-style-type: none"> • The grant is allocated for classified disasters based on reports from assessments conducted by the NDMC and the relevant PDMC and affected sectors for immediate disaster 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

Provincial Disaster Response Grant	
	<p>through the contingency arrangements already in place.</p> <ul style="list-style-type: none"> The Accounting Officer for the relevant organ of state must indicate in their application that the total funds required from the grant for disaster response exceed the available resources and/or resources already allocated for disaster response 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
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> 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
Past performance	<p>2020/21 audited financial outcome</p> <ul style="list-style-type: none"> Funds were transferred to the provincial departments of Agriculture for drought response measures as follows: <ul style="list-style-type: none"> R35 million to Eastern Cape Department of Agriculture R4 million to KwaZulu-Natal Department of Agriculture R19 million to Limpopo Department of Agriculture R12 million to Mpumalanga Department of Agriculture R36 million to Northern Cape Department of Agriculture R8 million to North West Department of Agriculture R25 million to Western Cape Department of Agriculture <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> Affected farming communities were supported through drought interventions in the form of drilling of boreholes and resuscitation of existing boreholes, fodder provision and fodder production Affected farming communities were supported through the provision of fodder, fodder production, drilling of boreholes and resuscitation of existing boreholes in Eastern Cape to mitigate the effects of drought Affected farming communities were supported through the resuscitation of agricultural water infrastructure in KwaZulu-Natal to mitigate the effects of drought Affected farming communities were supported through the provision of fodder, fodder production, drilling of boreholes and resuscitation of existing boreholes in Limpopo to mitigate the effects of drought Affected farming communities were supported through the provision of fodder, fodder production, drilling of boreholes and resuscitation of existing boreholes in Mpumalanga to mitigate the effects of drought Affected farming communities were supported through the drilling of boreholes and resuscitation of existing boreholes in North West to mitigate the effects of drought Affected farming communities were supported through the resuscitation provision of fodder to mitigate the effects of drought
Projected life	<ul style="list-style-type: none"> This grant is expected to continue over the medium-term subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R145 million; 2023/24: R146 million and 2024/25: R152 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made subject to approval by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the National Disaster Management Centre</p> <ul style="list-style-type: none"> Verify the applications for funding as per the requirements of the Disaster Management Act and submit funding request to National Treasury for consideration within 14 days following the receipt of the assessment report and written funding request from the sector departments through the PDMCs and when all grant conditions have been met Confirm support to be provided by relevant national sector departments to prevent duplication of support and resources Notify the relevant PDMC and provincial treasury of a transfer at least three days before transfer. Funds must be transferred no later than five days after notification Provide National Treasury with written notification of the transfer within 14 days of a transfer of the grant Submit financial report to National Treasury within 20 days of the end of each month Provide a performance report, within 45 days of the end of the quarter in which the funds were spent, to the National Treasury using the disaster allocation monitoring template agreed to with the National Treasury Together with the PDMC, monitor the implementation of disaster funded projects <p>Responsibilities of Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> Together with the affected provincial departments, conduct rapid assessments of disaster impacts to verify the applications for initial funding within 14 days following the occurrence of a reported incident that meets the conditions Conduct assessments of disaster impacts together with the NDMC and the affected provincial departments, to verify applications for funding, within 35 days of the incident while adhering to the requirements of the Disaster Management Act Confirm support to be provided by relevant provincial sector departments to prevent duplication of support and resources Submit requests for disaster funding, monitor projects and provide reports to the NDMC, and provincial treasury Provide financial reports to NDMC within 15 days of the end of each month Provide a performance report which includes evidence on progress implementation of the projects to the

Provincial Disaster Response Grant	
	<p>NDMC within 35 days of the end of the quarter in which funds are spent using the relevant disaster grant allocation-reporting template</p> <ul style="list-style-type: none"> • The PDMC should activate a project task team comprising of affected municipalities and sector departments • Monitor the implementation of funded disaster project by sectors • Establish provincial project steering committees to coordinate the monitoring and reporting of implementation of projects
	<p>Responsibilities of provincial sector departments</p> <ul style="list-style-type: none"> • Cooperate with the NDMC and PDMC to conduct damage assessment and cost verification • Sector departments to submit the relevant contingency plans • Submit initial funding request within 14 days following the declaration of a disaster • Consult with the relevant national sector departments and provincial treasury for support on existing resources to address the disasters • Consult with the relevant national sector department on a funding request before submission to the PDMC • Notify provincial treasury of all requests for funding submitted • Invoke emergency procurement processes to implement the immediate disaster response and relief projects • Monitor implementation of projects and report on their impact • Provide a financial report to the PDMC and relevant national sector department within 10 days of the end of each month, signed off by the Accounting Officer. Include evidence (invoices, payment certificates and pictures of the projects) as annexures • Provide a performance report which includes evidence, and progress on implementation of the projects, to the PDMC and relevant national sector department within 20 days of the end of the quarter in which funds are spent, signed off by the Accounting Officer
	<p>Responsibilities of national sector departments</p> <ul style="list-style-type: none"> • Provide support and guidance in resource mobilisation to provincial sectors before a funding request is lodged to the NDMC through the PDMC • Provide support and guidance to provincial sector departments and NDMC regarding line function related matters on assessments and costing verifications • Sector departments to submit the relevant contingency plans • Provide support and guidance to provincial sector departments and the NDMC in the preparation of funding requests • Provide support and guidance to provincial sector departments in the preparation of reports, performance and realisation of the impacts of the projects as well as ensure compliance to the grant framework and relevant guidelines • Monitor, report and evaluate implementation of projects by provincial sectors • Activate an internal departmental task team to monitor, report and evaluate the impact of projects
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Not applicable

HEALTH GRANTS

District Health Programmes Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • The implementation of the National Strategic Plan on the HIV, sexually transmitted infections (STIs) and tuberculosis (TB) 2017 – 2022 and implementation of the National Strategic Plan on Malaria Elimination 2019 – 2023 • To improve access to community based primary care services through ward based primary health care outreach teams • To reduce the spread of, and morbidity and mortality caused by COVID-19 • There are two components to this grant that allow for the achievement of the stated strategic goal: <ul style="list-style-type: none"> ○ Comprehensive HIV/AIDS component (with a separate framework) ○ District Health component (with a separate framework)
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to develop and implement an effective response to HIV and AIDS • To enable the health sector to develop and implement an effective response to TB • To ensure provision of quality community outreach services through ward based primary health care outreach teams • To improve efficiencies of the ward based primary health care outreach teams programme by harmonising and standardising services and strengthening performance monitoring • To enable the health sector to develop and implement an effective response to support the effective implementation of the National Strategic Plan on Malaria Elimination 2019 – 2023 • To enable the health sector to prevent cervical cancer by making available human papillomavirus (HPV) vaccinations for grade seven school girls in all public and special schools and progressive integration of HPV into the integrated school health programme • To enable the health sector to rollout COVID-19 vaccine
Outcome statements	<ul style="list-style-type: none"> • As specified in the two component frameworks
Outputs	<ul style="list-style-type: none"> • As specified in the two component frameworks
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • As specified in the two component frameworks
Conditions	<ul style="list-style-type: none"> • As specified in the two component frameworks
Allocation criteria	<ul style="list-style-type: none"> • As specified in the two component frameworks
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • As specified in the two component frameworks
Past performance	<p>2020/21 audited financial performance</p> <ul style="list-style-type: none"> • As specified in the two component frameworks <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • As specified in the two component frameworks
Projected life	<ul style="list-style-type: none"> • As specified in the two component frameworks
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R29 billion; 2023/24: R27 billion and 2024/25: R28.1 billion, of which the two components are allocated: <ul style="list-style-type: none"> ○ Comprehensive HIV/AIDS component: 2022/23: R24.1 billion; 2023/24: R24 billion and 2024/25: R25 billion ○ District Health component: 2022/23: R5 billion; 2023/24: R3 billion; and 2024/25: R3.1 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • As specified in the two component frameworks <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • As specified in the two component frameworks
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • As specified in the two component frameworks

District Health Programmes Grant: Comprehensive HIV/AIDS Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • The implementation of the National Strategic Plan on the HIV, sexually transmitted infections and tuberculosis (TB) 2017 – 2022
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to develop and implement an effective response to HIV/AIDS • Prevention and protection of health workers from exposure to hazards in the workplace • To enable the health sector to develop and implement an effective response to TB
Outcome statements	<ul style="list-style-type: none"> • Improved coordination and collaboration in the implementation of HIV/AIDS programme between national and provincial government • Improved quality of HIV/AIDS response through provision of access to prevention, treatment, care and support services • Improved coordination and collaboration in the TB response between national and provincial governments • Improved quality of TB (including drug resistant-TB) services including access to prevention, screening, testing, treatment and adherence monitoring and support
Outputs	<ul style="list-style-type: none"> • Number of new patients started on antiretroviral therapy • Total number of patients on antiretroviral therapy remaining in care • Number of male condoms distributed • Number of female condoms distributed • Number of infants tested through the polymerase chain reaction test at 10 weeks • Number of clients tested for HIV (including antenatal) • Number of medical male circumcisions performed • Number of HIV positive clients initiated on TB preventative therapy • Number of patients tested for TB using Xpert • Number of eligible HIV positive patients tested for TB using urine lipoarabinomannan assay • Drug sensitive TB treatment start rate (under five years and five years and older) • Number of rifampicin resistant/ multi drug resistant TB patients started on treatment
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • The following priority areas must be supported through the grant: <ul style="list-style-type: none"> ○ antiretroviral therapy related interventions ○ care and support ○ condom distribution and high transmission area interventions ○ post exposure prophylaxis ○ prevention of mother to child transmission ○ programme management strengthening ○ regional training centres ○ HIV counselling and testing ○ medical male circumcision
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on antenatal HIV prevalence, estimated share of AIDS cases and population numbers post-demarcation • Allocation is based on TB workload cases and population numbers post-demarcation
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • HIV, AIDS and TB are key national priorities and require a coordinated response for the country as a whole and this is effectively achieved through a conditional grant • TB, multi-drug resistant, and extremely drug resistant strains, are key national priorities and require a countrywide coordinated response which is best achieved through a conditional grant
Past performance	<p>2020/2021 audited financial performance</p> <ul style="list-style-type: none"> • HIV/AIDS component: allocated and transferred R20.4 billion to provinces of which R21 billion (102 per cent) was spent by provinces by the end of the national financial year • TB component: allocated and transferred R508 million to provinces (100 per cent), of which R363 million (71.4 per cent) was spent by provinces <p>2020/2021 service delivery performance</p> <p>HIV/AIDS Component:</p> <ul style="list-style-type: none"> • 490 945 new patients that started on antiretroviral therapy • 5 104 965 patients on antiretroviral therapy remaining in care • 536 110 671 male condoms distributed • 16 803 855 female condoms distributed • 179 102 exposed infants HIV positive at 10 weeks polymerase chain reaction test • 15 284 083 clients tested for HIV (including antenatal)

District Health Programmes Grant: Comprehensive HIV/AIDS Component	
	<ul style="list-style-type: none"> • 129 587 medical male circumcision performed • 315 150 patients on antiretroviral therapy initiated on isoniazid preventative therapy TB Component: <ul style="list-style-type: none"> • 88.1 per cent TB symptoms client screened in facility (under 5 years and 5 years and older) • 1 599 985 of patients tested for TB using Xpert • 14 215 eligible HIV positive patients tested for TB using urine lipoarabinomannan assay • 97.6 per cent of all TB clients (5 years and older) started on treatment • 80.7 per cent of confirmed TB rifampicin resistant started on treatment • 856 eligible clients initiated on delamanid containing regimen
Projected life	<ul style="list-style-type: none"> • Ongoing in line with National Strategic Plan on the HIV, Sexually Transmitted Infections and TB 2017 – 2022
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R24.1 billion; 2023/24: R24 billion and 2024/25: R25 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> • Visit provinces twice a year to monitor implementation and provide support • Report to the National Treasury on an additional set of indicators agreed upon between the two departments • Meet with National Treasury to review grant performance on a quarterly basis
	Responsibilities of provincial departments <ul style="list-style-type: none"> • Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department. Submit an electronic version to be followed by a hard copy signed by the provincial grant receiving manager • Clearly indicate measurable objectives and performance targets as agreed with the national department in the provincial departmental business plans for 2022/23 and over the medium term expenditure framework period
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Submission of draft business plans to the national Department of Health by 28 October 2022 • Submission of final business plans to the national Department of Health by 27 January 2023 • Submission of final business plans to the National Treasury by 31 March 2023

District Health Programmes Grant: District Health Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • The implementation of National Strategic Plan on Malaria Elimination 2019 – 2023 • To reduce the incidence of cancer of the cervix through the provision of the human papillomavirus (HPV) vaccination to grade five school girls in all public schools and special schools • To improve access to community based primary care services through ward based primary health care outreach teams • To reduce the spread of, and morbidity and mortality caused by COVID-19
Grant purpose	<ul style="list-style-type: none"> • To enable the health sector to develop and implement an effective response to support the implementation of the National Strategic Plan on Malaria Elimination 2019 – 2023 • To enable the health sector to prevent cervical cancer by making available HPV vaccinations for grade five school girls in all public and special schools and progressive integration of HPV into integrated school health programme. 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 • To enable the health sector to rollout COVID-19 vaccine
Outcome statements	<ul style="list-style-type: none"> • Improved implementation of malaria strategies in support of malaria elimination efforts • Increased access to HPV vaccines by grade five school girls in all public and special schools • Improved access to quality primary care services at community level with a focus on preventive and promotive care, screening for health conditions and referral for relevant services • Improved coordination and collaboration in the rollout of COVID-19 vaccine
Outputs	<ul style="list-style-type: none"> • Number of malaria-endemic municipalities with 95 per cent or more indoor residual spray coverage • Percentage of confirmed malaria cases notified within 24 hours of diagnosis in endemic areas • Percentage of confirmed malaria cases investigated and classified within 72 hours in endemic areas • Percentage of identified health facilities with recommended malaria treatment in stock • Percentage of identified health workers trained on malaria elimination • Percentage of population reached through malaria information education and communication on malaria prevention and early health-seeking behaviour interventions • Percentage of vacant funded malaria positions filled as outlined in the business plan • Number of malaria camps refurbished and/or constructed • 80 per cent of grade five school girls aged nine years and above vaccinated for HPV first dose in the school reached • 80 per cent of schools with grade five girls reached by the HPV vaccination team with first dose • 80 per cent of grade five school girls aged nine years and above vaccinated for HPV second dose • 80 per cent of schools with grade five girls reached by the HPV vaccination team with second dose • Number of community health workers receiving a stipend • Number of community health workers trained • Number of HIV clients lost to follow-up traced • Number of TB clients lost to follow traced • Number of healthcare workers rolling out the COVID – 19 vaccine funded through the grant • Number of COVID – 19 vaccine doses administered, broken down by type of vaccine • Number of clients fully vaccinated for COVID -19
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • The business plan, signed by the receiving officer and in the prescribed format, must be submitted to the transferring officer by 25 February 2022. The approved business plan must be submitted by national Department of Health (DoH) to National Treasury by 31 March 2022 • The following priority areas must be supported through the grant: <ul style="list-style-type: none"> • Malaria surveillance, prevention, treatment <ul style="list-style-type: none"> ○ mobile active testing units ○ testing and treating through active testing in the community ○ health promotion activities which address indoor residual spray importance, preventative measures taken during travel to endemic areas and treatment seeking behaviour. • Malaria vector control <ul style="list-style-type: none"> ○ indoor residual spraying ○ integrated vector management activities ○ Improvement of indoor residual spray camp infrastructure • Programme management strengthening for malaria elimination through hiring of staff for approved malaria posts • Provinces must maintain funding for malaria from their equitable share at 2016/17 levels, as adjusted for inflation • A maximum of three percent of each allocation of this grant may be utilised to strengthen Malaria, HPV and

District Health Programmes Grant: District Health Component																																																			
	<p>COS programmes (administration related cost)</p> <ul style="list-style-type: none"> • Ensure provinces include HPV vaccination indicators in provincial annual performance plans • 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 • The grant must be used for the implementation of the ward based primary health care outreach teams policy framework and strategy • 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. • The province that contracts non-governmental organisations for community outreach services programme should make transfer payments as per the stipulations of section 8.4 of the Treasury Regulations and section 38(1)(j) of the Public Finance Management Act. • 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. • The allocation for COVID – 19 must only be used to fund activities related to the health sector’s rollout of the COVID-19 vaccine • Progressive rollout must be in line with the phased implementation as detailed in the national COVID-19 vaccine rollout strategy • COVID-19 allocation cannot be used for any other purpose • The following is the allocation for all the programmes funded from this grant: <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: center;">HPV</th> <th style="text-align: center;">Malaria</th> <th style="text-align: center;">COVID – 19</th> <th style="text-align: center;">Community Outreach Services</th> </tr> </thead> <tbody> <tr> <td>○ Eastern Cape</td> <td>R38 million</td> <td></td> <td>R234 million</td> <td>R187 million</td> </tr> <tr> <td>○ Free State</td> <td>R13 million</td> <td></td> <td>R94 million</td> <td>R138 million</td> </tr> <tr> <td>○ Gauteng</td> <td>R31 million</td> <td></td> <td>R447 million</td> <td>R517 million</td> </tr> <tr> <td>○ KwaZulu-Natal</td> <td>R51 million</td> <td>R16 million</td> <td>R383 million</td> <td>R585 million</td> </tr> <tr> <td>○ Limpopo</td> <td>R31 million</td> <td>R65 million</td> <td>R213 million</td> <td>R378 million</td> </tr> <tr> <td>○ Mpumalanga</td> <td>R20 million</td> <td>R27 million</td> <td>R155 million</td> <td>R291 million</td> </tr> <tr> <td>○ Northern Cape</td> <td>R5 million</td> <td></td> <td>R41 million</td> <td>R100 million</td> </tr> <tr> <td>○ North West</td> <td>R15 million</td> <td></td> <td>R135 million</td> <td>R264 million</td> </tr> <tr> <td>○ Western Cape</td> <td>R22 million</td> <td></td> <td>R198 million</td> <td>R195 million</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • The above allocations must be linked by an objective segment on BAS • Approval to shift funds between programmes (excluding funds for COVID – 19) is vested with the transferring officer and should be communicated with National Treasury 		HPV	Malaria	COVID – 19	Community Outreach Services	○ Eastern Cape	R38 million		R234 million	R187 million	○ Free State	R13 million		R94 million	R138 million	○ Gauteng	R31 million		R447 million	R517 million	○ KwaZulu-Natal	R51 million	R16 million	R383 million	R585 million	○ Limpopo	R31 million	R65 million	R213 million	R378 million	○ Mpumalanga	R20 million	R27 million	R155 million	R291 million	○ Northern Cape	R5 million		R41 million	R100 million	○ North West	R15 million		R135 million	R264 million	○ Western Cape	R22 million		R198 million	R195 million
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○ Western Cape	R22 million		R198 million	R195 million																																															
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on malaria incidence and provincial equitable share allocations in endemic provinces, the number of grade five girls and schools with grade five from the education management information system in each province, the population numbers post-demarcation, population and number of clients to be vaccinated per province and assessment of the need in different provinces and the availability of funds 																																																		
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Malaria is a key national priority, and a seasonal disease, and requires a coordinated response during defined periods for all endemic provinces which is most effectively achieved through a conditional grant and not all provinces are affected • Cervical cancer is a high national priority and requires uniform implementation to achieve the minimum coverage of 80 per cent and have the desired impact of significantly reducing incidences of cervical cancer • The approval of the policy in 2018 formalized the community health workers programme as a component of Primary Health Care and a national priority. The implementation of the policy requires focused approach to implementation and monitoring to achieve the desired outputs, outcomes on defined health indicators • COVID-19 response is a national priority that requires ring-fenced funding and a coordinated response for the country as a whole and this is effectively achieved through a conditional grant 																																																		
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Community Outreach Services Component: Allocated and transferred R2.6 billion to provinces, of which R2.2 billion (84.9 per cent) was spent by the end of the national financial year • HPV Component: Allocated and transferred R221 million to provinces, of which R168 million (76.2 per cent) was spent by the end of the national financial year • Malaria Component: Allocated and transferred R116 million to provinces, of which R113 million (96.8 per cent) was spent by the end of the national financial year • COVID-19 Component: Allocated and transferred R3.4 billion to provinces, of which R3.2 billion (94.9 per cent) was spent by the end of the national financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • Community Outreach Services Component: <ul style="list-style-type: none"> ○ 49 020 community health workers receiving stipend ○ 20 877 community health workers trained ○ 2 530 outreach team leaders trained ○ 337 244 HIV defaulters traced ○ 34 795 TB defaulters traced • HPV Component: <ul style="list-style-type: none"> ○ 80.6 per cent grade five schoolgirls aged nine and above vaccinated for HPV ○ 93 per cent schools with grade five girls reached by the HPV vaccination team • Malaria Component: 																																																		

District Health Programmes Grant: District Health Component	
	<ul style="list-style-type: none"> ○ 16 (76 per cent) malaria endemic municipalities with >95 per cent indoor residual spray coverage ○ 44 per cent confirmed cases notified with 24 hours of diagnosis in the endemic districts, 68 per cent of confirmed cases investigated and classified within 72 hours in the endemic districts ○ 100 per cent of confirmed cases receiving recommended treatment (severe cases), 74 per cent confirmed cases receiving recommended treatment (uncomplicated cases) ○ 63 per cent of identified health workers trained on malaria elimination ○ 31 per cent of social mobilisation information education and communication campaigns conducted ○ 89 per cent of vacant funded malaria positions filled ● Five malaria camps refurbished and/or constructed
Projected life	<ul style="list-style-type: none"> ● Grant will continue until 2024/25, subject to review and the COVID-19 allocation until 2022/23 or longer, depending on the duration of the COVID-19 vaccine rollout
MTEF allocations	<ul style="list-style-type: none"> ● 2022/23: R4.9 billion; 2023/24: R2.9 billion and 2024/25: R3.1 billion
Payment schedule	<ul style="list-style-type: none"> ● Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> ● Visit provinces twice a year to monitor implementation and provide support ● Report to the National Treasury on an additional set of indicators agreed upon between the two departments ● Meet with National Treasury to review grant performance on a quarterly basis ● Manage the contracts for HPV vaccines and the supporting information systems ● Monitor and support provincial planning and implementation and reporting ● Strengthen the capacity of provinces to deliver the HPV vaccination programme ● DoH must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre. ● Submission of quarterly report to the National Treasury as prescribed by the Division of Revenue Act and monthly expenditure with variance explanations in terms of the Public Finance Management Act ● Allocate COVID – 19 vaccines procured by the national department equitably, according to need and taking into account the target groups as defined in the national rollout strategy ● Maintain the electronic vaccine data system ● Maintain up-to-date stock surveillance system, showing the number of COVID - 19 vaccines available in each facility
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> ● Quarterly financial and performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department, indicate measurable objectives and performance targets as agreed with DoH. Reports must include budgets and expenditure under both provincial equitable share and the conditional grant. ● Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme ● Assign a dedicated official the responsibility of managing the grant and related components. ● Where possible, utilise existing human resource and transport capacity at all relevant levels and augment capacity where needed on a contractual basis ● Provide a list of contracted non-governmental organisations that will provide services ● Include the indicators in the provincial annual performance plans and ensure compliance with the Division of Revenue Act ● Ensure that all national indicator data set 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 ● Each province to establish a COVID-19 vaccine task team responsible for overseeing implementation in the province ● Procure needles, syringes and waste disposal for COVID - 19 vaccine rollout ● Develop COVID – 19 vaccine demand plans for the full financial year and continuously update the national department on need for further doses of vaccine. ● Ensure that the electronic vaccine data system is updated and used ● Maintain up-to-date stock surveillance system, showing the number of COVID – 19 vaccines available in each facility. ● In respect of COVID – 19 vaccinations administered in the public sector to medical scheme members, ensure that revenue is collected from medical schemes in line with prescribed tariffs
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> ● Submission of a draft business plan to national Department of Health by 31 October 2023 ● Submission of final business plans to the national Department of Health by 25 February 2024 ● Submission of final business plans to National Treasury by 31 March 2024

Health Facility Revitalisation Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To enable provinces to plan, manage, and transform health infrastructure in line with national and provincial policy objectives
Grant purpose	<ul style="list-style-type: none"> • To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organisational development systems and quality assurance • To enhance capacity to deliver health infrastructure • To accelerate the fulfilment of the requirements of occupational health and safety
Outcome statements	<ul style="list-style-type: none"> • Improved service delivery by provincial departments as a result of an enhanced and better quality of health services • Improved quality and quantity of well-maintained health infrastructure (backlog and preventative maintenance) • Improved rates of employment and skills development in the delivery of infrastructure • Value for money and cost-effective design of facilities in line with the framework for infrastructure procurement and delivery management
Outputs	<ul style="list-style-type: none"> • Number of primary health care facilities constructed or revitalised • Number of hospitals constructed or revitalised • Number of facilities maintained, repaired and/or refurbished
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The business plan for this grant consists of the following: <ul style="list-style-type: none"> ○ the user-asset management plan for at least 10 years ○ infrastructure programme management plan over the 2022 medium term expenditure framework (MTEF) including a list of projects ○ annual implementation plan
Conditions	<ul style="list-style-type: none"> • Projects should be initiated in terms of the control framework of the framework for infrastructure procurement and delivery management stage 0 which requires an initiation report. Pre-feasibility and feasibility reports are required for all projects • With the exception of funding for costs incurred on stages zero, one and two of 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 • 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 • Provinces may utilise a portion of grant funding for the appointment of public servants on a permanent basis to their infrastructure units in line with human resource capacitation circular published by National Treasury • In instances where the capacity of the provincial departments of public works is deemed insufficient, the provincial department of health will be entitled to engage alternative implementing agents, provided that supply chain management processes as prescribed in the Treasury Regulations for appointment of service providers are followed • Provincial departments of health must enter into a service delivery agreement with their implementing agents • Appropriately qualified built environment representatives from the provincial departments' infrastructure units must assist in the procurement of professional service providers and contractors by its implementing agent, through representation as a member on the specification, evaluation and adjudication committees of the implementing agent • New facilities will only be funded from the grant if proof of operational budget that includes the approved organisational structure (stuff 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.
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2022/23 are project and performance based
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Funding infrastructure through a conditional grant enables the national department to ensure the delivery, rehabilitation, maintenance and upgrading of health infrastructure in a coordinated and efficient manner and ensure consistency with national norms, standards and guidelines for health facilities
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R6.3 billion made available R6.3 billion was transferred to provinces (100 per cent), of which R6 billion (94.2 per cent) was spent by provinces <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 3 new facilities completed • 116 facilities maintained • 56 facilities upgraded and renovated
Projected life	<ul style="list-style-type: none"> • Health is a key government priority and given the need to continually maintain health infrastructure to ensure that norms and standards are maintained, the grant will remain in place until at least the end of the 2022 MTEF
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R6.8 billion; 2023/24: R7.1 billion and 2024/25: R7.4 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers are made on a quarterly basis in accordance with a payment schedule approved by National Treasury

Health Facility Revitalisation Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Coordinate and facilitate site visits • Attend quarterly provincial infrastructure progress review meetings with National Treasury • Provide guidance to provinces on planning, prioritisation and evaluating of user-asset management plan, infrastructure programme management plan, annual implementation plan, project proposals and concept reports that provinces develop and submit • Review if provinces comply with the framework for infrastructure procurement and delivery management • Issue guidelines on the capacitation process of infrastructure units, as well as the conditions attached to the utilisation of funds • National Department of Health (DoH) and National Treasury must jointly evaluate progress with capacitation of provincial infrastructure units and provide feedback to all provinces • DoH must submit quarterly infrastructure reports to National Treasury, according to the template agreed between National Treasury and DoH, within 45 days after the end of each quarter <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provincial departments must hold progress review meetings with the relevant implementing agents • Annual implementation plans signed-off by the Head of Department, sent to the DoH for approval by 4 March 2022 • The 2022 MTEF project list as captured in the annual implementation plan for both current and capital budgets should cover: <ul style="list-style-type: none"> ○ maintenance of infrastructure ○ renovations, upgrading and additions of infrastructure ○ new and replacement of infrastructure ○ health technology provision organisational development and quality assurance interventions linked to infrastructure projects • Provinces must submit to DoH quarterly reports for all projects funded in the 2022/23 financial year in this grant to the infrastructure reporting model through the project management information system • 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 • Provinces will include or transfer to Department of Public Works the list of completed projects to be part of their asset register • Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • The process for approval for the 2023 MTEF will be in line with the performance-based incentive approach guidelines published by National Treasury and DoH • Submission of the user-asset management plan for 2023/24 by DoH to National Treasury and DoH by 30 June 2022 • Submission of the infrastructure programme management plan for 2023/24 by DoH to National Treasury and DoH by 31 August 2022 • Submission of the final 2023/24 project list aligned with the MTEF Allocations and annual implementation plan by 3 March 2023

Human Resources and Training Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To contribute to the implementation of the national human resource plan for health through the clinical training and supervision of health science trainees in designated public health facilities in South Africa • Effective implementation of the human resources for health strategy, and health workforce capacity development for sustainable service delivery
Grant purpose	<ul style="list-style-type: none"> • To appoint statutory positions in the health sector for systematic realisation of the human resources for health strategy and the phase-in of National Health Insurance • Support provinces to fund service costs associated with clinical training and supervision of health science trainees on the public service platform
Outcome statements	<ul style="list-style-type: none"> • Progressive realisation of the national human resource plan for health • Clinical training and supervision capacity established in designated developmental provinces (Northern Cape, North West, Limpopo, Mpumalanga and Eastern Cape) • Enhanced access to healthcare services, by addressing critical skills shortages in underserved communities
Outputs	<ul style="list-style-type: none"> • Number and percentage of statutory posts funded from this grant (per category and discipline) and other funding sources • Number and percentage of registrars' posts funded from this grant (per discipline) and other funding sources • Number and percentage of specialists' posts funded from this grant (per discipline) and other funding sources
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Non-financial business plan – number of specialists, registrars, medical officers, clinical supervisors/tutors per category in nursing, emergency medical services, allied health, pharmacy and grant administration staff funded from the grant • Financial business plan – allocation by economic classification to each category of clinical trainer/supervisor
Conditions	<ul style="list-style-type: none"> • Submission of an approved business plan in the prescribed format signed by the provincial Head of Department to the national Department of Health by 25 February 2022 and to the National Treasury by 31 March 2022 • Cost of administration of the grant must not exceed 1 per cent of the total grant allocation • This grant has two components <ul style="list-style-type: none"> Statutory Human Resources Component <ul style="list-style-type: none"> • The statutory human resources component must only be utilised for funding of statutory posts Training Component <ul style="list-style-type: none"> • The training component must prioritise all registrar posts and the balance of the allocation may be utilised for specialist (supervisors) and other approved categories • Additional funds have been allocated for the developmental portion and the breakdown per province is as follows: <ul style="list-style-type: none"> ○ Eastern Cape R8 million ○ Limpopo R5 million ○ Mpumalanga R4 million ○ Northern Cape R3 million ○ North West R4 million • The developmental allocation will be withheld and transferred to other developmental provinces if a province fails to spend these funds. Developmental allocations are only applicable to the training and development component
Allocation criteria	<ul style="list-style-type: none"> • Training component is based on historical allocations and spending patterns • Statutory Human Resources component allocations are based on the following criteria: <ul style="list-style-type: none"> ○ provinces with greatest needs have been prioritised ○ number of statutory posts ○ future projections of professional production versus need
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Provinces give effect to the national human resource strategy through the clinical training and supervision of health science trainees on the public health service platform • National coordination is needed for health science training • To ensure that the additional human resources funded through this component address unmet health needs as opposed to perpetuating historical allocation patterns • Allocation of medical interns is a national function
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Statutory Human Resources Component: allocated and transferred R1.2 billion to provinces, of which R1.2 billion (99.2 per cent) was spent by the end of the financial year • Training Component: allocated and transferred R3.1 billion to provinces, of which R3.1 billion (99 per cent) was spent by the end of the national financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 1 534 Statutory posts funded from this grant • 702 Community Service personnel funded from this grant • 1 313 Registrar posts funded from this grant • 328 Specialist posts funded from this grant • 957 other health professionals (clinical and allied) appointed

Human Resources and Training Grant	
Projected life	<ul style="list-style-type: none"> The grant is subject to review at the end of the 2024/25 MTEF. Its projected life will be guided by the need for health science trainees to be trained and supervised on the public health service platform
MTEF allocations	<ul style="list-style-type: none"> Total allocation is 2022/23: R5.4 billion; 2023/24: R5.5 billion and 2024/25: R5.4 billion of which <ul style="list-style-type: none"> Training Component – 2022/23: R2.8 billion; 2023/24: R2.8 billion and 2024/25: R2.9 billion Statutory Human Resources Component – 2022/23: R2.6 billion; 2023/24: R2.7 billion and 2024/25: R2.5 billion
Payment schedule	<ul style="list-style-type: none"> Monthly instalments as per approved payment schedule
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Convene at least one annual meeting of national or provincial and facility programme managers Monitor the number of health science trainers/clinical supervisors that are responsible for health science training on the public health service delivery platform Conduct a minimum of one site visits to provinces and site visits to selected facilities on a rotational basis Submission of quarterly financial and non-financial performance reports to the National Treasury Meet with National Treasury to review the performance of the grant
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Provinces are encouraged to maintain a separate budget for each benefiting facility/cluster Monitor the implementation of the grant and report quarterly to national DoH Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems All developmental provinces must ring-fence the developmental allocation and report on the implementation progress To report on the number of clinical supervisors associated with clinical training and supervision of students, funded on the public health service delivery platform: <ul style="list-style-type: none"> number of specialists number of registrars number of medical officers number of clinical associates number of postgraduates number of clinical supervisors/trainers per category in nursing, emergency medical services and allied health and pharmacy number of grant administration staff
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Draft business plans for 2022/23 must be submitted in the approved format by 28 October 2022 Completion of an approved business plans, in the prescribed format, signed by each receiving officer by 27 January 2023 and the transferring officer by 31 March 2023

National Health Insurance Grant																															
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18) 																														
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A 																														
Strategic goal	<ul style="list-style-type: none"> • To achieve universal health access through the phased implementation of National Health Insurance (NHI) and to improve access to quality healthcare services 																														
Grant purpose	<ul style="list-style-type: none"> • To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers 																														
Outcome statements	<ul style="list-style-type: none"> • Implementation of strategic purchasing platform for primary healthcare providers • Enhance access to healthcare services for cancer patients • Strengthen mental healthcare service delivery in primary health care and community-based mental health services • Improved forensic mental health services 																														
Outputs	<ul style="list-style-type: none"> • Number of health professionals contracted (total and by discipline) • Percentage increase in the number of clients of all ages seen at ambulatory (non-inpatient) services for mental health conditions • Percentage reduction in the backlog of forensic mental observations • Number of patients seen per type of cancer • Percentage reduction in oncology treatment including radiation oncology backlog 																														
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health 																														
Details contained in the business plan	<ul style="list-style-type: none"> • Number of health professionals to be contracted, including: <ul style="list-style-type: none"> ○ process of accreditation of providers ○ performance monitoring requirements ○ processes for the management and reimbursement of health professionals ○ output indicators, including: <ul style="list-style-type: none"> ○ target population ○ number of patients to access care ○ reduction of backlogs ○ key milestones with projected dates when these will be achieved ○ key activities and resource schedule ○ monitoring and evaluation plan ○ risk management plans ○ cash flow projections 																														
Conditions	<ul style="list-style-type: none"> • Submission of completed and signed business plans by receiving officer to transferring officer on 25 February 2022 and submission to National Treasury by transferring officer on 31 March 2022 • The funding will be used for the following services: <ul style="list-style-type: none"> ○ contracting of health practitioner services for primary care units and where services are rendered at hospital level, it should be for the benefit of primary health care ○ with respect to addressing surgical backlogs, provincial health departments to supply verified data on backlogs ○ contracting of health professionals for forensic and general mental health services. Psychiatrist, clinical psychologists registered counsellors, social workers and occupational therapists are the only categories that are funded for general mental health and forensic mental health services ○ Establishment or improvement of oncology services with priority given to developmental provinces • This grant may not fund the costs of drugs, materials, consumables and laboratory tests • The management of the contracting of health practitioners by the provinces must be done in-house • The following allocations are specifically and exclusively allocated for HP contracting and mental health services: <table border="0" style="margin-left: 20px;"> <thead> <tr> <th></th> <th style="text-align: center;">HP Contracting</th> <th style="text-align: center;">Mental Health Services</th> </tr> </thead> <tbody> <tr> <td>○ Eastern Cape</td> <td style="text-align: center;">R43 million</td> <td style="text-align: center;">R18 million</td> </tr> <tr> <td>○ Free State</td> <td style="text-align: center;">R20 million</td> <td style="text-align: center;">R8 million</td> </tr> <tr> <td>○ Gauteng</td> <td style="text-align: center;">R51 million</td> <td style="text-align: center;">R39 million</td> </tr> <tr> <td>○ KwaZulu-Natal</td> <td style="text-align: center;">R52 million</td> <td style="text-align: center;">R32 million</td> </tr> <tr> <td>○ Limpopo</td> <td style="text-align: center;">R33 million</td> <td style="text-align: center;">R17 million</td> </tr> <tr> <td>○ Mpumalanga</td> <td style="text-align: center;">R20 million</td> <td style="text-align: center;">R13 million</td> </tr> <tr> <td>○ Northern Cape</td> <td style="text-align: center;">R20 million</td> <td style="text-align: center;">R3 million</td> </tr> <tr> <td>○ North West</td> <td style="text-align: center;">R20 million</td> <td style="text-align: center;">R11 million</td> </tr> <tr> <td>○ Western Cape</td> <td style="text-align: center;">R18 million</td> <td style="text-align: center;">R17 million</td> </tr> </tbody> </table> • The balance of the allocation is earmarked for oncology services in developmental provinces • Approval to shift funds between programmes is vested with the transferring officer and any shift should be communicated with National Treasury 		HP Contracting	Mental Health Services	○ Eastern Cape	R43 million	R18 million	○ Free State	R20 million	R8 million	○ Gauteng	R51 million	R39 million	○ KwaZulu-Natal	R52 million	R32 million	○ Limpopo	R33 million	R17 million	○ Mpumalanga	R20 million	R13 million	○ Northern Cape	R20 million	R3 million	○ North West	R20 million	R11 million	○ Western Cape	R18 million	R17 million
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Allocation criteria	<ul style="list-style-type: none"> • As identified in the business plan, allocations are based on the following criteria: <ul style="list-style-type: none"> ○ prevalence of identified conditions ○ provinces with greatest needs are prioritised ○ number of health professionals contracted ○ defined reduction in specified backlogs ○ provinces currently referring oncology services to other provinces 																														

National Health Insurance Grant	
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The principle of a single fund is articulated in the Cabinet approved White Paper on National Health Insurance. This situation calls for dedicated funding which will allow for institutionalisation over time as a single NHI Fund
Past performance	2020/21 audited financial outcomes <ul style="list-style-type: none"> Of the R246 million made available for the NHI Direct Grant, R232 million (94.2 per cent) was spent
	2020/21 service delivery performance <ul style="list-style-type: none"> Number of health professionals contracted: 233
Projected life	<ul style="list-style-type: none"> Expected to remain in place until the NHI Fund is created through legislation
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R694 million; 2023/24: R695 million and 2024/25: R717 million
Payment schedule	<ul style="list-style-type: none"> Payments will be made quarterly (in advance) in line with approved programme implementation plans with the service providers
Responsibilities of the transferring officer and receiving officer	Responsibilities of national department <ul style="list-style-type: none"> Support provincial departments to ensure achievement of grant outcomes Conduct monitoring and evaluation of the grant Submission of quarterly financial and non-financial performance reports to the National Treasury in the prescribed format
	Responsibilities of provincial departments <ul style="list-style-type: none"> Development of business plans according to the allocated budget Facilitate the achievement of grant outputs Ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant Submission of quarterly financial and non-financial performance reports to the national DoH with respect to the continuation of provision and funding of existing programmes and services Provincial health departments must provide the national DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Provinces must submit business plans to the transferring officer by 31 January 2023 Submission of signed business plan by the transferring officer to the National Treasury by 31 March 2023

National Health Insurance Indirect Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • To strengthen the public healthcare system in preparation for National Health Insurance (NHI), design of NHI through innovative testing of new reforms and to improve quality of services at primary health care facilities • To achieve universal health access through the phased implementation of NHI and to improve access to quality healthcare services • To ensure appropriate health infrastructure that is in line with national and provincial policy objectives • This grant has three components: <ul style="list-style-type: none"> ○ Non-Personal Services Component ○ Personal Services Component ○ Health Facility Revitalisation Component
Grant purpose	<ul style="list-style-type: none"> • To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance (NHI) • To enhance capacity and capability to deliver infrastructure for NHI • To accelerate the fulfilment of the requirements of occupational health and safety • Expand the alternative models for the dispensing and distribution of chronic medication • Develop and roll-out new health information systems in preparation for NHI • Enable the health sector to address the deficiencies in the primary health care facilities systematically to yield fast results through the implementation of the ideal clinic programme • To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers
Outcome statements	<ul style="list-style-type: none"> • As specified in the three component frameworks
Outputs	<ul style="list-style-type: none"> • As specified in the three component frameworks
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • As specified in the three component frameworks
Conditions	<ul style="list-style-type: none"> • As specified in the three component frameworks
Allocation criteria	<ul style="list-style-type: none"> • As specified in the three component frameworks
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • As specified in the three component frameworks
Past performance	<p>2020/21 audited financial outcome</p> <ul style="list-style-type: none"> • As specified in the three component frameworks <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • As specified in the three component frameworks
Projected life	<ul style="list-style-type: none"> • Subject to policy developments that will be finalised as part of the implementation of NHI
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R2.2 billion; 2023/24: R2.5 billion and 2024/25: R1.8 billion of which the three components are: <ul style="list-style-type: none"> ○ Non-Personal Services Component: 2022/23: R615 million; 2023/24: R621 million and 2024/25: R653 million ○ Personal Services Component: 2022/23: R85 million; 2023/24: R89 million and 2024/25: R103 million ○ Health Facility Revitalisation Component: 2022/23: R1.5 billion; 2023/24: R1.8 billion and 2024/25: R1.1 billion
Payment schedule	<ul style="list-style-type: none"> • As specified in the three component frameworks
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • As specified in the three component frameworks <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • As specified in the three component frameworks
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • As specified in the three component frameworks

National Health Insurance Indirect Grant: Health Facility Revitalisation Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • To ensure appropriate health infrastructure that is in line with national and provincial policy objectives
Grant purpose	<ul style="list-style-type: none"> • To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance (NHI) • To enhance capacity and capability to deliver infrastructure for NHI • To accelerate the fulfilment of the requirements of occupational health and safety
Outcome statements	<ul style="list-style-type: none"> • Appropriate procurement of service providers for infrastructure delivery for NHI • Improved spending, performance, monitoring and evaluation of infrastructure projects for NHI • Improved employment and skills development in the delivery of infrastructure for NHI • Value for money and cost-effectively designed facilities in line with the framework for infrastructure delivery and procurement management • Improved patient experience of care
Outputs	<ul style="list-style-type: none"> • Number of primary health care facilities constructed or revitalised • Number of hospitals constructed or revitalised • Number of facilities maintained, repaired and/or refurbished
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • The infrastructure programme management plan for the 2022 medium term expenditure framework (MTEF) aligned to the infrastructure delivery management system and framework for infrastructure delivery and procurement management will be submitted on 27 May 2022 and will include the following: <ul style="list-style-type: none"> ○ costed project lists with annual cash flow projections per project for the full duration of the projects on the programme ○ projected milestones per project for framework for infrastructure delivery and procurement management control framework stages indicating current stage of the project
Conditions	<ul style="list-style-type: none"> • The national Department of Health (DoH) must, in consultation with the provinces, have in place an intergovernmental protocol framework covering the 2022 MTEF and outlining how the grant will operate as well as the responsibility and functions of each sphere. Project sheets will form part of the agreement • Should there be an amendment to an existing protocol agreement, the amended agreement should be submitted to the National Treasury by 30 June 2022 • 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 scope of work, current stage and anticipated target dates for achieving stages of the control framework, operational budgets (i.e. personnel, equipment, etc.) and maintenance budgets • With all new projects, DoH must comply with framework for infrastructure delivery and procurement management processes • For projects with a total project cost exceeding R500 million, DoH must notify National Treasury when framework for infrastructure delivery and procurement management stage 3 is reached • The grant component must only be spent on projects included in the business plan and project lists signed by provinces. Projects can only be added to the business plan as part of the adjustment budget process, subject to National Treasury approval • Appropriately qualified built environment representatives from the national department must assist in the procurement of professional service providers and contractors by its implementing agent • DoH may utilise a portion of grant funding for the appointment of public servants on 36 month contracts to their infrastructure units. The amount that can be used for this is determined in terms of the conditions set in terms of the 2021 Appropriation Act • All completed projects must have a close-out report with a documented maintenance plan • New facilities will only be funded from the grant if proof of operational budget that includes the approved organisational structure (staff structure) is submitted prior to the approval of the clinical brief. Endorsement of the operational budget by the provincial treasury must be acquired as part of the approval • An amount of R250 million is allocated to Limpopo through the Budget Facility for Infrastructure (BFI) for the construction of the Limpopo Academic Hospital. 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 2022 MTEF allocation letter of the Department of Health
Allocation criteria	<ul style="list-style-type: none"> • Allocations for 2022/23 are project based
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Funding infrastructure through an indirect conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner that is consistent with national norms, standards and guidelines for health facilities
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated R853 million of which R802 million (94.1 per cent) was spent by the end of the financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 1 primary health care facilities constructed or revitalised • 3 hospitals constructed or revitalised • 0 facilities maintained, repaired and/or refurbished

National Health Insurance Indirect Grant: Health Facility Revitalisation Component	
Projected life	<ul style="list-style-type: none"> NHI is a key government priority and given the need to continually maintain health infrastructure and ensure that norms and standards are maintained, the grant will continue over the 2022 MTEF, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R1.5 billion, 2023/24: R1.8 billion and 2024/25: R1.1 billion
Payment schedule	<ul style="list-style-type: none"> Monthly payments made according to verified and approved invoices from the services providers
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Build and demonstrate the capacity necessary to manage this grant Ensure alignment between the infrastructure programme management plan and the annual performance plan Undertake the infrastructure development cycle to the extent agreed with the provinces in the implementation protocol agreements Convene progress review committees with appropriate reporting and invite National Treasury and Provinces DoH must maintain an up-to-date database (project management information system), infrastructure reporting model with all contracts that are fully or partially funded by this grant and provide the infrastructure reporting model report on a monthly basis Meet with National Treasury to review grant performance on a quarterly basis Collaboration and coordination with provincial departments of health for the full development cycle of infrastructure development in respect of projects funded by this grant In instances where the capacity of the DoH and the provincial department are deemed insufficient, DoH is entitled to engage alternative implementing agents, provided that supply chain management processes as prescribed in the Treasury Regulations for the appointment of service providers are followed. In those cases, service level agreements between DoH and the implementing agent must be in place DoH must convene quarterly progress review committee meetings with all project managers, implementing agents and National Treasury for monitoring and oversight of the performance of all funded projects Provide provincial departments of health with progress of the projects under this grant for inclusion in provincial annual reports DoH must submit quarterly infrastructure reports to National Treasury, according to the agreed template between National Treasury and DoH, within 45 days after the end of each quarter
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Provinces must ensure that the completed projects are included in the asset registers of the provincial departments of public works Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant by the DoH All immovable asset management and maintenance responsibilities of the completed projects under this grant as prescribed by the Government Immovable Asset Management Act of 2007 rests with the provinces Provinces should report on progress of the projects under this grant in their annual reports and describe how these facilities have been considered in their future planning and budgeting. The projects must be included in the provincial user-asset management plans
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Submission of a draft infrastructure programme management plan to the National Treasury by 31 August 2022 Submission of the final infrastructure programme management plan to the National Treasury by 31 March 2023 Submission of signed implementation protocol by 23 June 2023

National Health Insurance Indirect Grant: Non-Personal Services Component	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> • To strengthen the public healthcare system in preparation for National Health Insurance (NHI) • To strengthen the design of NHI through innovative testing of new reforms • To improve the quality of services at primary health care facilities • To improve the quality of services in health care facilities
Grant purpose	<ul style="list-style-type: none"> • To expand the alternative models for the dispensing and distribution of chronic medication • To develop and roll out new health information systems in preparation for NHI, including human resource for health information systems • To enable the health sector to address the deficiencies in primary health care facilities systematically and to yield fast results through the implementation of the ideal clinic programme • To implement a quality improvement plan
Outcome statements	<ul style="list-style-type: none"> • Improved access to and quality of healthcare through: <ul style="list-style-type: none"> ○ expansion of the alternative dispensing and distribution model for chronic medication ○ improved quality health services in all primary health care facilities through the ideal clinic programme ○ building and implementation of the enterprise architecture design for national health insurance digital information systems ○ development and implementation of systems for medicines stock management and procurement ○ certification of all public health facilities by Office of Health Standards Compliance (OHSC)
Outputs	<ul style="list-style-type: none"> • Alternative chronic medicine dispensing and distribution model implemented • Intern community service programme system maintained and improvements effected • Number of new and number of total patients registered in the programme, broken down by the following: <ul style="list-style-type: none"> ○ antiretroviral treatment ○ antiretroviral with co-morbidities ○ non-communicable diseases ○ number of pickup points (state and non-state) • Number and percentage of primary healthcare facilities peer reviewed against the ideal clinic standards • Number and percentage of primary healthcare facilities achieving an ideal status • Number of public health facilities implementing the health patient registration system • Number and percentage of the population registered on the health patient registration system • National data centre hosting environment for NHI information systems established, managed and maintained • The development and publication of the 2022 Normative Standards Framework for Digital Health Interoperability • Development and implementation of the master facility list policy • Number of primary healthcare facilities implementing an electronic stock monitoring system • Number of hospitals implementing an electronic stock management system • Number of fixed health establishments reporting medicines availability to the national surveillance centre • Number of quality learning centres established • Number of facilities improving their baseline OHSC scores (or other approved quality metrics)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • Input, output indicators and outcome indicators • Milestones with projected dates when this will be achieved • Description of how the project will be managed including the roles and responsibilities of national and provincial departments • Key activities and resource schedule • Monitoring and evaluation plan • Risk management plans and cash flow projections
Conditions	<ul style="list-style-type: none"> • Completion of a business plan by the national Department of Health (DoH) signed by the transferring officer by 31 March 2022 and submitted to the National Treasury by 31 March 2022 • All information systems developed and implemented under this grant component must comply with the interoperability norms and standards as approved by the National Health Council • No more than 3 per cent of this grant component may be used for grant administration
Allocation criteria	<ul style="list-style-type: none"> • The alternative chronic care medication dispensing and distribution model allocations will be based on the volume of patients per province • ideal clinic sub-component allocation is based on the number of identified facilities and their needs in each province • Information systems sub-component is not allocated per province and will be utilised towards the development and making sure that implementation is standardised across provinces, districts and public health facilities, and towards the establishment of unified health information and management of health commodities for the country
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The importance of central coordination in the development of models and the establishment of NHI to inform ongoing NHI designs • ideal clinic is a key national priority and requires a systematic implementation to achieve quality health care services

National Health Insurance Indirect Grant: Non-Personal Services Component	
	<ul style="list-style-type: none"> In line with the National Health Act sections 74(1) and 74(2), the national department has to develop and coordinate all Health Information Systems in the country. This is a complex programme with many facets that requires an iterative process of testing and implementation in a phased manner. This situation calls for dedicated funding which will allow for institutionalisation over time
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> Of the R685 million made available, R586 million was spent (85.5 per cent) for the 2020/21 financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> Alternative chronic medicine dispensing, and distribution model implemented 4 321 755 new and total patients registered in the programme broken down 1 625 623 antiretroviral treatments 351 005 antiretroviral with co-morbidities 546 873 non-communicable diseases 2 735 pickup points (non-state) and 3 567 health establishments (state) rendering the CCMDD service 0 primary health care facilities peer reviewed against ideal clinic standards (replaced by peer review updates 257 facilities of which 90 achieved ideal status) 1 444 and 42 per cent of primary health care facilities achieving an ideal status 3 220 primary health care facilities and 52 hospitals implementing the health patient registration system 40 000 000 individuals from the population registered on the health patient registration system 3 320 primary health care facilities implementing an electronic stock monitoring system 396 hospitals implementing an electronic stock monitoring system National data centre hosting environment for NHI information systems established Fixed health establishments reporting medicine availability to the national surveillance centre
Projected life	<ul style="list-style-type: none"> Subject to policy developments that will be finalised as part of the implementation of NHI
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R615 million, 2023/24: R621 million and 2024/25: R653 million
Payment schedule	<ul style="list-style-type: none"> Payments will be made according to verified invoices or advance payments in line with approved programme implementation plans from the service providers Monthly instalments which may be altered at the discretion of National Treasury based on invoices paid
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> To establish contracts with service providers for the delivery of goods and services as necessary in the four sub-components outlined above Establish the necessary organisational structures and build capacity within the DoH to implement, oversee and monitor the execution of all approved projects using the 3 per cent administrative costs provision Manage, monitor and support provincial programme planning and implementation Meet with the National Treasury to review the performance of the grant on a quarterly basis Strengthen the capacity of provinces to realise and maintain ideal clinic status Maintain the ideal clinic software Evaluate the impact of quality improvement activities and submit preliminary reports on progress to National Treasury and the Presidency by 29 July 2022 and 1 December 2022 and a final report by 31 May 2023 <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Facilitate the achievement of grant outputs Delegate a person responsible for managing the ideal clinic programme, health patient registration system programme, medicines information systems and central chronic medicine dispensing and distribution, respectively Provinces are responsible for ensuring medicines availability to service providers for the central chronic medicine dispensing and distribution programme aligned to the medicines formulary Ensure compliance with all reporting requirements and adherence to the provisions of service level agreements Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems (storage space for filing cabinets etc.) Include performance indicators related the four sub-components in the provincial annual performance plans Provinces must develop draft implementation plans to assume responsibility for the centralised chronic medicines dispensing and distribution, ideal clinic and information systems Submit quarterly performance reports to national DoH
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Submission of the business plan signed by the transferring officer on 31 March 2023 to National Treasury

National Health Insurance Indirect Grant: Personal Services Component	
Transferring department	<ul style="list-style-type: none"> Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> Schedule 6, Part A
Strategic goal	<ul style="list-style-type: none"> To achieve universal health access through the phased implementation of National Health Insurance (NHI) and to improve access to quality healthcare services
Grant purpose	<ul style="list-style-type: none"> To expand the access to healthcare service benefits through the strategic purchasing of primary health care services from healthcare providers
Outcome statements	<ul style="list-style-type: none"> Implementation of the strategic purchasing platform for primary healthcare providers Implementation of a risk-adjusted capitation model for the reimbursement of primary healthcare (PHC) services
Outputs	<ul style="list-style-type: none"> Number of proof-of-concept contracting units for primary health care (CUPs) established Number of private primary healthcare providers participating in then CUPs and contracted through capitation arrangements
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> Number of proof-of-concept contracting units for primary health care (CUPs), including <ul style="list-style-type: none"> CUP area definition and which health establishments and services in the area are included CUPs management of budget allocations and payments Number of private clinical care practitioners to be contracted and number of public establishments to be contracted, including: <ul style="list-style-type: none"> content and process of accreditation of providers performance monitoring requirements processes for the management and reimbursement of all providers Output indicators of benefits to be provided by providers in CUPs including: <ul style="list-style-type: none"> target population number of patients to access care listed vertical programmes integrated into one healthcare delivery system key milestones with projected dates when these will be achieved Key activities and resource schedule Management capacity, reporting arrangements and monitoring and evaluation plan, including relationship with DHMO (DHMO functions and roles) <ul style="list-style-type: none"> implementation of digital systems (HPRS, SVS, MFL, etc) and data management project steering (Joint Coordinating Committee) and management Risk management plans Cash flow projections
Conditions	<ul style="list-style-type: none"> The funding will be used for the development and implementation of a capitation model and establishment of proof of concept contracting units for primary health care (CUPs) Submission of completed and signed-off business plan and implementation framework by the national transferring authority by 31 March 2022 to the National Treasury
Allocation criteria	<ul style="list-style-type: none"> As identified in the business plan, allocations will be based on the following criteria: <ul style="list-style-type: none"> Number of health establishments (public and private) participating (OHSC certified and accrediting) Number of patients seen by all private clinical practitioners Number of vertical programmes integrated into the PHC benefits management Number of patients referred to the district hospital and other levels of care
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> Capitation funding through the NHI Fund will be the reimbursement strategy used for PHC services under NHI.
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> Of the R171 million made available, R138 million (81 per cent) was spent <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> 27 health professional contracted (five psychiatrists, seven clinical psychologists and 15 registered councillors) 0 health professionals contracted through capitation arrangements 2 714 patients screen and treated for mental health problems 19 per cent reduction in the backlog of forensic mental observations 0 patients receiving radiation oncology
Projected life	<ul style="list-style-type: none"> Remain in place until the NHI Fund is created through legislation passed by Parliament
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R85 million; 2023/24: R89 million and 2024/25: R103 million
Payment schedule	<ul style="list-style-type: none"> Payments will be made according to verified invoices or advance payments in line with approved business plans
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> The national Department of Health (DoH) will be responsible for the creation of the interim structures until the NHI Fund is established A committee comprising of DoH and National Treasury officials has been established, with specific terms of reference to set up the NHI Fund Submission of quarterly financial and non-financial performance reports to the National Treasury <p>Responsibilities for the interim structures prior to the establishment of the NHI Fund</p> <ul style="list-style-type: none"> The interim structures, prior to the establishment of the NHI Fund will be responsible for feasibility testing

National Health Insurance Indirect Grant: Personal Services Component	
	<p>of contracting and strategic purchasing of personal health services from appropriately accredited health care providers on behalf of the covered population at PHC level</p> <ul style="list-style-type: none"> • The interim structure will be responsible for the following functions: <ul style="list-style-type: none"> ○ develop mechanisms for purchasing of PHC services funded by NHI ○ develop payment strategies for contracted providers at PHC level ○ process utilisation transactions received from contracted service providers ○ collate utilisation data, and implement information management systems ○ develop contracting and payment policies • Submission of quarterly financial and non-financial performance reports. <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Facilitate the achievement of grant outputs • Ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant • Submission of quarterly financial and non-financial performance reports to the DoH with respect to the performance of this grant • Provincial health departments must provide the national DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Submission of signed business plan by the transferring officer to the National Treasury by 31 March 2023

National Tertiary Services Grant	
Transferring department	<ul style="list-style-type: none"> • Health (Vote 18)
Grant schedule	<ul style="list-style-type: none"> • Schedule 4, Part A
Strategic goal	<ul style="list-style-type: none"> • To enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform
Grant purpose	<ul style="list-style-type: none"> • Ensure the provision of tertiary health services in South Africa • To compensate tertiary facilities for the additional costs associated with the provision of these services
Outcome statements	<ul style="list-style-type: none"> • Modernised and transformed tertiary services that allow for improved access and equity to address the burden of disease • Accelerated modernisation of tertiary services in developmental provinces (Eastern Cape, Limpopo, Mpumalanga, Northern Cape and North West)
Outputs	<ul style="list-style-type: none"> • Number of inpatient separations • Number of day patient separations • Number of outpatient first attendances • Number of outpatient follow-up attendances • Number of inpatient days • Average length of stay by facility (tertiary) • Bed utilisation rate by facility (all levels of care)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 3: Education, skills and health
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses business plans which are signed between the national Department of Health (DoH) and each province and contain the following: <ul style="list-style-type: none"> ○ provincial and institutional allocations ○ tertiary services specifications (approved YES list) funded by the grant, by facility by province ○ annual targets for inpatient separations, inpatient days, day patient separations, outpatient first visits, outpatient follow up visits per facility per province per year ○ monitoring and reporting responsibilities ○ validation and revision of data ○ deviations or changes to tertiary services ○ referral responsibilities ○ approved business plan ○ approved specialists funded from the grant (approved specialist detail list) ○ national guidelines on definitions of tertiary services that may be funded by the grant
Conditions	<ul style="list-style-type: none"> • Submission of an approved business plan in the prescribed format signed by the provincial Head of Department to the national DoH by 25 February 2022, and the National Treasury by 31 March 2022 • The grant allocation to each central/provincial tertiary facility must not exceed a maximum of 65 per cent of the total facility budget • To facilitate the acceleration of modernisation of tertiary services in developmental provinces, up to 10 per cent of the provincial grant allocation should be used for the development of tertiary services currently not provided in the province or expansion of critical services where there is currently a backlog of untreated patients, where an existing service requires the appointment of a Health Professionals Council of South Africa registered specialist and in accordance with nationally approved business plans • 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"> ○ Eastern Cape: R38 million ○ Limpopo: R16 million ○ Mpumalanga: R5 million ○ North West: R12 million • All developmental provinces must ring-fence the developmental allocation and report on their implementation progress • Cost of administration of the grant must not exceed one per cent of the total grant allocation • The following amounts in the allocation to Gauteng are earmarked to fund the operations of the Nelson Mandela Children's Hospital: <ul style="list-style-type: none"> ○ R299 million in 2022/23 ○ R315 million in 2023/24 ○ R329 million in 2024/25 • Total remuneration packages for the staff at the Nelson Mandela Children's Hospital, paid from this grant and any other sources, may not exceed Department of Public Service and Administration approved remuneration rates; total remuneration packages must be captured and submitted to both the provincial, and the national departments of Health • The services offered by the Nelson Mandela Children's Hospital should be integrated into the service delivery platform in collaboration with relevant provinces, particularly Gauteng • The grant does not fund the leasing of capital equipment.
Allocation criteria	<ul style="list-style-type: none"> • Based on historical allocations and spending patterns, with additional allocations for four developmental provinces
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • There are significant cross-boundary flows associated with tertiary services that are not affected by provincial boundaries due to their specialised nature

National Tertiary Services Grant	
Past performance	2020/21 audited financial outcomes <ul style="list-style-type: none"> Allocated and transferred R14 billion to provinces, of which R13.8 billion (98.3 per cent) was spent by the end of the national financial year
	2020/21 service delivery performance <ul style="list-style-type: none"> 186 181 Inpatient separations 433 299 day patient separations 1 156 907 Outpatient first attendances 945 916 Outpatient follow up attendances 1 521 631 Inpatient days – 6.5 average length of stay by facility (tertiary) and 76 days psychiatric average length 100 per cent bed utilisation rate
Projected life	<ul style="list-style-type: none"> Support for tertiary services will continue because of the need to sustain and modernise tertiary services
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R14.3 billion; 2023/24: R14 billion and 2024/25: R14.7 billion
Payment schedule	<ul style="list-style-type: none"> Monthly instalments as per the payment schedule approved by National Treasury except for the Nelson Mandela Children’s Hospital where the first payment will be made in April 2022. Additional payments will be made in July and October 2022 based on evidence of satisfactory performance
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> Convene at least one annual meeting of national, provincial and facility programme managers Monitor expenditure by economic classification, and patient activity and provide on-site support to facilities/complexes and provinces Conduct a minimum of two site visits to provinces and a minimum of one site visit to facilities/complexes. Provincial visits to include facilities Identify the national need for service delivery and facilitate the development of those services through business plan planning processes
	Responsibilities of provincial departments <ul style="list-style-type: none"> Completion of a provincial service level agreement/memorandum of understanding signed by the receiving officer and the benefiting institution by 31 March 2022 and submission to the national DoH by 29 April 2022 (due date for Nelson Mandela Children’s Hospital is 26 March 2021) Provinces must provide the allocated amounts for individual funded facilities/clusters to the relevant provincial treasury for gazetting as per the number of agreed-upon business plans per province and facility/cluster by 22 April 2022 Provinces must maintain a separate budget for each benefiting facility The receiving officer must supply the head of each benefiting facility/complex with a budget letter which includes their equitable share allocation by 29 April 2022 Conduct a minimum of two site visits to each budgeted facility/complex per annum and submit reports of these site visits to the national DoH Submission of updated specialist details funded by the equitable share at facility level by 30 November 2022 Submission of updated specialist details funded by the grant at facility level by 30 November 2022 Submission of service specifications funded at each facility (new YES list) by 30 November 2022 Submission of quarterly reports in the approved expenditure areas in the prescribed format Provide patient utilisation data (inpatient separations, inpatient days, day case separations, outpatient first visits, outpatient follow up visits and patient-day equivalents) average length of stay (tertiary) and bed utilisation rates (all levels of care) as per the prescribed format Provide the number of inpatient separations for intensive care units (ICU) and neonatal ICU quarterly Provide the number of inpatient days for ICU and neonatal ICU quarterly Provinces intending to develop a new service area need to submit a separate business plan outlining the investment case to the national DoH for approval Provinces may request, in writing to the transferring officer, approval to amend their approved business plan. Requests must be submitted no later than 14 October 2022. This will be the only time that provinces can request amendments to their approved business plan. Revised plans will be approved by 28 October 2022
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Submission of draft business plans (provincial and facility) by 28 October 2022 Completion of a business plan, in the prescribed format, signed by each receiving officer by 27 January 2023 and by the transferring officer by 31 March 2023

HUMAN SETTLEMENTS GRANTS

Human Settlements Development Grant	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> The creation of sustainable and integrated human settlements that enable improved quality of household life
Grant purpose	<ul style="list-style-type: none"> To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements
Outcome statements	<ul style="list-style-type: none"> The facilitation and provision of adequate housing opportunities and improved quality living environments A functionally equitable and integrated residential property market Enhanced institutional capabilities for effective coordination of spatial investment decisions Tenure security for all recipients of government- subsidised houses Improved quality of life
Outputs	<ul style="list-style-type: none"> Number of residential units delivered in relevant housing programmes Number of serviced sites delivered in relevant housing programmes Number of informal settlements upgraded in situ and/or relocated Number of title deeds registered to beneficiaries Hectares of well-located land acquired for development of housing opportunities Hectares of well-located land acquired (and zoned) Number of socio-economic amenities delivered in human settlements Number of integrated residential development projects planned, approved, funded and implemented Number of township registers opened in respect of pre and post 1994 Title Deeds Backlog Number of beneficiaries confirmed as legitimate in registered townships in respect of pre and post 1994 Title Deeds Backlog Number of ownership disputes logged and resolved in respect of pre and post 1994 Title Deeds Backlog Number of implementation programmes for Priority Housing Development Areas
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Medium-term strategic framework targets and budgets Project planning and implementation aligned to project readiness matrix Annual and quarterly planned targets and budgets per project Monthly cash flow projections (payment schedule) Project information (district municipalities, project description and GIS co-ordinates) Title deeds project addendum in accordance with the compliance and reporting framework Planned bulk infrastructure projects, budget and spending per province in prioritised municipality with distressed mining communities Professional fees and bulk infrastructure projects Number of jobs and training opportunities to be created Implementation agreement between national, provincial and local government Procurement plan confirming 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) Projects, targets and budgets in Priority Housing Development Areas
Conditions	<ul style="list-style-type: none"> Funds for this grant should be utilised for the priorities set out in the 2019-2024 Medium Term Strategic Framework for human settlements The transfer of the first tranche of funds is conditional upon the national Department of Human Settlements (DHS) approving provincial business plans consistent with the provisions of the Housing Act and in compliance with the National Housing Code The transfer of subsequent tranches is conditional on provinces capturing the targets and budget, delivery statistics, and expenditure monthly on the Housing Subsidy System and the Basic Accounting System at a sub-programme level and project level, and submitting monthly reconciliations within the required time frames Provinces must ensure reconciliation and alignment of financial and non-financial outputs between the Housing Subsidy System and Basic Accounting System on a monthly basis All projects in the approved business plan must be aligned with the Integrated Development Plan (IDP) and the Spatial Development Framework of municipalities. In pilot areas for the District Development Model, business plans must be aligned to the One Plan Draft and final business plans must be aligned to provincial annual performance plans When the Business Plan is adjusted, it must still align to approved provincial annual performance plans Provincial heads of departments must sign-off and confirm that the procurement processes is concluded of the projects captured in their business plans prior to the start of the new financial year and that projects captured in their business plans are assessed and approved for implementation in the 2022/23 financial year Provinces may utilise up to a maximum of five 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

Human Settlements Development Grant

- 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 2022 Division of Revenue Act by no later than 27 May 2022. 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 five 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
 - Where additional funding for bulk infrastructure from the grant is required, the National Treasury and the DHS will develop the framework that systematically allows provinces to use up to 30 per cent of their allocation by 29 July 2022. 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 amended business plans of provinces and be submitted to the national department for approval by 14 October 2022
 - projects will be separately earmarked in an amended grant framework and presented as part of the Division of Revenue Amendment Bill
 - the 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. Requests must be submitted between 12 August 2022 and 14 October 2022
 - The payment schedules should be derived and be aligned to the cash flows contained in the approved business plan
 - Provinces must include the nationally approved human 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 in line with their project readiness status
 - At least two per cent of the Human Settlements Development Grant (HSDG) grant may be allocated to programmes and projects for the implementation of innovative building technologies approved by the 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
 - 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 2022 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 31 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
 - Provinces must prioritise the implementation of projects that are in the Priority Human Settlements and Housing Development Areas
 - Provinces must prepare and submit a separate land assembly programme with clear details of budget allocation for land acquisition, location of land and other related activities by not later than 29 April 2022
- Distressed mining towns component**
- The following ring-fenced funds are earmarked to support the development of integrated human settlements in municipalities with distressed mining communities as approved in the provincial business plans. The following funds are ring-fenced within provincial allocations and are earmarked to support the development of integrated human settlements (prioritising bulk infrastructure provision in terms of the Housing Code) in identified municipalities with distressed mining communities:
 - Free State: R52 million
 - Gauteng: R80 million
 - Limpopo: R80 million
 - Mpumalanga: R90 million
 - Northern Cape: R95 million
 - North West: R151 million

Human Settlements Development Grant	
	<ul style="list-style-type: none"> • Funds have been earmarked within this grant for the reconstruction and rehabilitation of the infrastructure damaged by natural disasters in Kwazulu-Natal in 2019 which have been assessed and declared in the government gazette by the National Disaster Management Act (NDMC). The amounts are as follows: <ul style="list-style-type: none"> ○ 2022/23: R398 million ○ 2023/24: R475 million • Business plans for allocated disaster funds must be in line with the post disaster verification assessment reports submitted to the NDMC • Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans • Quarterly performance reports on disaster allocations must be submitted to the NDMC and DHS
Allocation criteria	<ul style="list-style-type: none"> • The grant is allocated through the HSDG allocation formula approved by the Human Settlements MINMEC and Budget Council. The formula is based primarily on the share of inadequate housing in each province but also accounts for population size and the extent of poverty in each province. Further details of the formula are set out in Annexure W1 to the Division of Revenue Bill
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R15.3 billion made available, R14.9 billion (100 per cent) was transferred, of which R14.8 billion was spent by the end of the financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 45 101 housing units completed • 39 360 serviced sites completed
Projected life	<ul style="list-style-type: none"> • This is a long-term grant as government must assist the poor with the provision of human settlements in terms of the Constitution
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R14.3 billion; 2023/24: R14.9 billion and 2024/25: R15.1 billion
Payment schedule	<ul style="list-style-type: none"> • Monthly instalments as per the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Finalise and ensure the approval of the applicable subsidy quantum per programme and the allocation formula for the delivery of sustainable and integrated human settlements • Approve the final national and provincial business plans and issue national compliance certificates • Assess and make recommendations on the credibility of provincial business plans and the readiness of projects captured therein • Ensure that provinces align financial and non-financial information in terms of reporting in Basic Accounting System, Housing Subsidy System, provincial business plans and provincial quarterly reports • Monitor provincial financial and non-financial grant performance and control systems related to the HSDG • Ensure provinces comply with the reporting requirements for the Housing Subsidy System in terms of frequency and quality of the input • Provide support to provinces and accredited municipalities with regard to human settlements delivery as may be required • Undertake structured and other visits to provinces and metropolitan municipalities as necessary • Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities • Submit an annual evaluation report for 2021/22 on the financial and non-financial performance of the grant to National Treasury by 27 July 2022 • Evaluate the audited provincial annual reports for submission to National Treasury by 14 December 2022 • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Provide systems including Housing Subsidy System that support the administration of the human settlements delivery process • Comply with the responsibilities of the transferring officer outlined in the 2022 Division of Revenue Act • Ensure provinces only implement programmes that are contained in the approved business plans • 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 • Prioritise the finalisation of the White Paper on the Housing Policy and Strategy for South Africa <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provinces must conclude implementation protocols with the Housing Development Agency for the preparation and programme management of national priority projects • Submit 2021/22 annual evaluation reports to DHS by 27 May 2022 • Submit 2021/22 audited annual reports to the DHS by 30 September 2022 • Prioritise funds in order to build houses to meet the quota set for military veterans • Support accredited municipalities in carrying out delegated functions as per the accreditation framework • Provinces must utilise the Housing Subsidy System for the administration and related performance reporting of all the human settlement delivery programmes and processes • Projects to be funded and included in the business plan must be registered on the Housing Subsidy System and the Housing Subsidy System project number and GIS coordinates must be included in the business plan • Provinces must ensure alignment of financial and non-financial reporting in terms of reporting in Basic Accounting System, Housing Subsidy System, approved provincial business plans and provincial quarterly reports

Human Settlements Development Grant	
	<ul style="list-style-type: none"> • Ensure effective and efficient utilisation of and access to the Housing Subsidy System by municipalities • Comply with the Housing Act, 2022 Division of Revenue Act, Housing Code and the national delivery agreements that have been concluded • The monthly expenditure report, as contemplated the 2022 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 • Monthly expenditure and quarterly reports must be signed-off by both the provincial human settlements and provincial treasuries' heads of departments • There should be an alignment of the business plan with the gazetted allocations to accredited municipalities • Provinces should ensure that they only implement the programmes in the approved business plans • Provinces are allowed to implement the Finance Linked Individual Subsidy Programme within the Integrated Residential Reporting Programme • Provinces should prioritise revitalisation of the distressed mining towns programme within their funding • Consult with municipalities on the programme and projects submitted for approval in terms of the HSDG business plan including all bulk infrastructure projects • Ensure all projects to be implemented are aligned to the municipal IDP and Spatial Development Frameworks of municipalities • Ensure that a memorandum of understanding is signed with all municipalities prior to the commencement of any bulk infrastructure project • Ensure that the relevant amounts to be applied and transferred to municipalities are gazetted by no later than 27 May 2022 • Provinces to align their business plan with provincial annual performance plans and Infrastructure Reporting Model • On completion of units for military veterans, provincial departments should forward the claims to Department of Military Veterans for the top-up, as agreed in terms of the memorandum of understanding between national Department of Military Veterans and DHS • Provinces must report on the percentage of their allocations awarded to companies owned by designated groups on quarterly basis • Provinces must ensure that there is appropriate screening of beneficiaries that will be prioritised for the Voucher Scheme by not later than 29 April 2022 • Provinces must advertise the call for suitable service providers to be screened and serve as material suppliers by not later than 29 April 2022 • Provinces should prepare a separate five-year plan for socio- economic amenities that will be rolled out from 2022/23
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Draft consolidated provincial business plans for 2023/24 financial year, project readiness matrix and multi-year housing development plan (aligned with the business plan and project readiness matrix) to be submitted to the national department by 31 August 2022 • Submit final consolidated provincial business plans, project readiness matrix, multi-year housing development plan (including cash flow projections and compliance certificates for 2023/24 financial year) to the DHS by 8 February 2023 • Specific approval from the transferring officer should be sought for rectification (pre- and post-1994), IDP chapters, blocked projects, community residential units (upgraded), project linked consolidation subsidies (blocked projects) and allocations for these must appear in the draft and final business plans • Programmes that require ministerial approval (in terms of ministerial directives) must be submitted in the first draft of the business plan

Informal Settlements Upgrading Partnership Grant: Provinces	
Transferring department	<ul style="list-style-type: none"> • Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • The creation of sustainable and integrated human settlements that enable improved quality of household life
Grant purpose	<ul style="list-style-type: none"> • To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements
Outcome statements	<ul style="list-style-type: none"> • Adequate housing in improved quality living environment
Outputs	<ul style="list-style-type: none"> • The grant shall fund the outputs defined in Phases 1 – 3 of the Upgrading of Informal Settlements Programme (IUSP) in the National Housing Code of 2009: <ul style="list-style-type: none"> Phase 1 <ul style="list-style-type: none"> • Number of pre-feasibility studies conducted Phase 2 <ul style="list-style-type: none"> • Feasibility studies <ul style="list-style-type: none"> ○ number of environmental impact assessment undertaken ○ number of geotechnical studies conducted ○ number of any other relevant studies conducted • Land Acquisition <ul style="list-style-type: none"> ○ hectares of land acquired for in-situ upgrading ○ hectares of land acquired for relocation ○ hectares of land transferred and registered ○ hectares of land availed in terms of land availability/development agreement • Number of settlements supplied with bulk infrastructure • Number of settlements benefitting from temporal and interim municipal engineering services and/or any alternative technology • Number of settlements provided with rudimentary services Phase 3 <ul style="list-style-type: none"> • Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services • Number of serviced sites developed • Number of social & economic amenities. The specific types of amenities must only be provided in collaboration with municipality and the community • Number of sites transferred to end users • Number of households provided with secure tenure • Number of engineering designs: water, sewer, roads and storm water drainage concluded • Number of layout plans approved
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant requires provinces to attain both municipal council and MEC approval on informal settlements to be upgraded in 2022/23 financial year • A province must submit a business plan prepared in terms of the requirements of the DHS business planning for informal settlements upgrading • 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"> ○ project description ○ settlement name and GIS coordinates ○ project institutional arrangements ○ sustainable livelihood implementation plan ○ outputs and targets for services to be delivered ○ cash flow projections (payment schedule) ○ details of the support plan ○ risk management plan ○ prioritisation certificate issued by the MEC in consultation with relevant mayors • For those settlements where upgrading plans have not yet been completed, an interim or comprehensive plan with clear deliverables in terms of the UISP Phases contained in the National Housing Code must be submitted • Procurement plan confirming appointment of requisite service providers in accordance with government procurement preferential plans and policies (as Annexure to the business plan) • Number of jobs and training opportunities to be created
Conditions	<ul style="list-style-type: none"> • Funds for this grant should be utilised for the priorities as set out in the 2019-2024 Medium Term Strategic Framework for human settlements • The transfer of the first tranche of funds is conditional upon the Minister of national Department of Human Settlements (DHS) approving 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 • The transfer of subsequent tranches is conditional on provinces capturing the targets and budget, delivery statistics, and expenditure monthly on the Housing Subsidy System (HSS) and the Basic

Informal Settlements Upgrading Partnership Grant: Provinces	
	<p>Accounting System (BAS) at a sub-sub-programme level and project level, and submitting monthly reconciliations within the required time frames</p> <ul style="list-style-type: none"> Provinces must ensure reconciliation and alignment of financial and non-financial outputs between the HSS and BAS on a monthly basis All projects in the approved informal settlements upgrading plans must be aligned with the Integrated Development Plan (IDP) and the Spatial Development Framework of municipalities Provinces should implement projects in the approved business plan and upgrading plans and any deviation from the approved plans should be sought from the DHS Where there are no upgrading plans and spending is approved in terms of an interim plan, funding will only be transferred to a province provided that confirmation is provided to the national department that individual upgrading plans are being developed for these projects and will be completed by the end of 2022/23 The payment schedule submitted by provinces should be derived from the cash flows contained in the approved upgrading plans 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 Draft and final informal settlements upgrading plans must be aligned to provincial annual performance plans Provincial Heads of Departments (HoDs) must sign-off and confirm that projects captured in their informal settlements upgrading plans are assessed and approved for implementation in the 2022/23 financial year Quarterly and monthly performance reports must be submitted to the DHS in line with DoRA prescripts HoDs must sign off and confirm that projects captured in their informal settlements upgrading plans are assessed and approved for implementation in the 2022/23 financial year Provinces must indicate the amounts of their annual allocations for spending on the identified national priority projects Provinces must prioritise the implementation of projects that are in the gazetted Priority Human Settlements and Housing Development Areas Provinces may request, in writing to the transferring officer, approval to amend their approved business plan. Requests must be submitted between 12 August 2022 and 14 October 2022. The provinces can also amend business plans upon the stopping and reallocation of grant funds as per MINMEC resolution. In case of a province having been allocated additional funding, a separate report is to be submitted by such a province 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
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated to all provinces. These funds are also allocated in line with the HSDG allocation formula approved by Human Settlements MINMEC and National Treasury
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> Grant introduced in 2021/22 <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> Grant introduced in 2021/22
Projected life	<ul style="list-style-type: none"> This grant will continue until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R4.1 billion; 2023/24: R4.3 billion and 2024/25: R4.5 billion
Payment schedule	<ul style="list-style-type: none"> Monthly instalments as per the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Receive, assess and approve the informal settlements upgrading plans of provinces Assess and make recommendations on the credibility of provincial informal settlements upgrading plans and the readiness of projects captured therein Maintain the policy and programme, and assist with interpretation Develop a reporting template for provinces on ISUP outputs and publish it 31 March 2022 Monitor and evaluate provincial financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the ISUPG Provide implementation assistance support to provinces as may be required Undertake structured and other visits to projects as is necessary Facilitate regular interaction between DHS and provinces Submit a report on the status of informal settlements and their categorisation (in terms of the National Upgrading Support Programme's methodology) to National Treasury by 01 August 2022 Use the ISUP grant to leverage other forms of funding <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Initiate, plan and formulate applications for projects relating to the upgrading of informal settlements, which in the case of municipalities that are not accredited, must be in collaboration with the relevant provincial department Request assistance from the relevant national department on any of the matters concerned if the province lacks the capacity, resources or expertise

Informal Settlements Upgrading Partnership Grant: Provinces	
	<ul style="list-style-type: none"> • Provinces must align their business plan with provincial annual performance plans and Infrastructure Reporting Model (IRM) in terms of section 13(1)(a) of this Act • Implement approved projects in accordance with ISUP methodology approved by the national department • Work with municipalities to fast track the planning approval processes for informal settlements upgrading projects • Agree with municipalities on how settlement areas developed under this programme will be managed, operated and maintained • Coordinate with municipalities and facilitate the provision of bulk and connector engineering services • Provinces must adhere to section 16 of the Division of Revenue Act if they are planning to appoint any other organ of state to implement human settlements projects on their behalf • Provinces 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 • Provinces must report on the percentage of their allocations awarded to companies owned by designated groups on monthly and quarterly basis • Provinces to use the ISUP grant to leverage other forms of funding
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Draft ISUPG plan and draft informal settlements upgrading plans for each settlement to be upgraded in 2023/24 must be submitted to the DHS by 31 August 2022. The DHS will provide comments by 30 September 2022 • Final business plans must be submitted by no later than 08 February 2023

Provincial Emergency Housing Grant	
Transferring department	<ul style="list-style-type: none"> • Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> • Schedule 7, Part A
Strategic goal	<ul style="list-style-type: none"> • To ensure improved quality of household life following a disaster (as defined in the Disaster Management Act, 2002)
Grant purpose	<ul style="list-style-type: none"> • To provide funding to provinces for provision of temporary shelter assistance to households affected by disasters or a housing emergency • To provide funding to provinces to repair the damage to housing for low-income households following a disaster or housing emergency if the costs of repairs are less than the cost of relocation and provision of temporary shelter
Outcome statements	<ul style="list-style-type: none"> • Households accommodated in adequate temporary shelter following a disaster • Repair damaged houses following a disaster for low-income households
Outputs	<ul style="list-style-type: none"> • Emergency and short-term assistance to households affected and/or impacted by disasters, through: <ul style="list-style-type: none"> ○ provision of temporary shelter ○ temporary relocation of households to safer accommodation and/or shelter ○ repairs to damaged houses following a disaster
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • Applications for funding from this grant use the Emergency Housing Grant application form which includes the following: <ul style="list-style-type: none"> ○ details of the disaster, municipal ward, the impact thereof and number of temporary shelters required as well as the number of households affected ○ total funds required for disaster response ○ implementation plan ○ summary of the projects ○ register of beneficiaries as prescribed in the guidelines ○ consolidated project cash flow for three months, as an annexure to the implementation plan ○ a copy of the province's emergency procurement policy ○ provinces must submit a verified assessment report per affected household in case of reported disasters or required repairs to damaged
Conditions	<ul style="list-style-type: none"> • Provinces must submit an application to the national Department of Human Settlements (DHS) within 14 days of the agreement by the Member of the Executive Council responsible for Human Settlements that a housing emergency exists in terms of section 2.3.1(a)(b) of the Emergency Housing Programme as per the National Housing Code • The relevant provincial disaster management centre must be informed of the application in writing by the provincial department for human settlements • Provincial heads of departments (HoDs) must sign-off and confirm information in the application • Shelter solutions funded from the grant must comply with the National Housing Code and subsidy quantum • The approval of funding to repair damages caused by disasters must be subject to a detailed assessment report • The emergency response in rural areas will be in accordance with the guidelines issued by the National Department • The flow of the first tranche of funds is conditional on recommendation by the DHS and approval by the National Treasury • The flow of the second tranche is subject to the province spending at least 80 per cent of the first instalment and submitting detailed non-financial and financial reports indicating progress to date, signed-off by the accounting officer • Funds must only be spent on items and activities included in the application recommended for funding by the transferring officer of the national DHS and any deviation must be approved by the transferring officer • Provincial officers must submit a report within 30 days after the end of the quarter in which the funds are spent, outlining expenditure of the funds and documentary proof of services rendered. Thereafter monthly reports shall be submitted to the national DHS until the funds are fully utilised • The emergency procurement system as guided by the Public Finance Management Act (PFMA) and Treasury Regulations must be invoked to ensure immediate assistance to the affected communities • The project should/must be completed within three months from the date of transfer of funds
Allocation criteria	<ul style="list-style-type: none"> • This grant funding is intended to address the housing needs of households who, for reasons beyond their control, find themselves in an emergency housing need such as: <ul style="list-style-type: none"> ○ existing shelter destroyed or damaged by a disaster ○ displaced following a disaster ○ relocation due to prevailing material (i.e. physical) conditions posing an immediate threat to the adequacy and safety of their existing housing as a result of a disaster

Provincial Emergency Housing Grant	
	<ul style="list-style-type: none"> The grant is allocated to provinces on recommendation by the transferring officer and approval by the National Treasury
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> A conditional grant enables the national department to respond to disasters as they arise
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> The grant was allocated R300 million and R288 million was transferred to provinces, of which R138 million of transferred funds and rollover funds was spent by provinces <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> For KwaZulu-Natal, 1 592 temporary residential units built and 44 per cent delivered to beneficiaries For Limpopo, 69 temporary residential units built and none were reported to have been delivered to beneficiaries For Mpumalanga, 636 temporary residential units built, with 108 houses repaired and 59 temporary residential units installed For Northern Cape, 1 100 temporary residential units built with zero delivered to beneficiaries For Western Cape, 1 100 temporary residential units built but the project never started with beneficiaries staying in erected fire kits
Projected life	<ul style="list-style-type: none"> This grant is expected to continue over the medium term, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R326 million; 2023/24: R340 million and 2024/25: R355 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> DHS will, upon receipt of the application for disaster relief, send acknowledgement of receipt within 1 day of such an application DHS should conduct assessment and physical verification of a disaster incident within 10 days after the receipt of the application for disaster relief from the province and within a day after recommend to the Director General approval or non-approval of the application A letter signed by the Director General will be sent to the province within 3 days after the conclusion of assessment and verification period of 10 days thereafter informing the province of the outcome of the application Advise and guide provinces about the existence of the Provincial Emergency Housing Grant and how it can be accessed Develop and publish the Provincial Emergency Housing Grant application form template, in consultation with National Treasury and the National Disaster Management Centre (NDMC) Monitor programme implementation including establishing and maintaining a register or database of housing emergencies and human settlements-related disasters Support provinces to plan for potential disasters and housing emergencies. This includes identifying communities/households that reside in unsafe conditions posing a threat to health and safety as well as households who live in areas prone to flooding and/or other disasters Monitor the planning and priority development for communities/households residing in unhealthy and life-threatening circumstances and provide implementation assistance where required Facilitate a coordinated housing assistance intervention response in circumstances where disasters affect more than one province Coordinate assistance with the NDMC to ensure there is no duplication of funding with the provincial and municipal disaster relief grants Request National Treasury's approval for the disbursement of funds to provinces within 10 days of receipt of an application for funding from this grant Notify the relevant provinces and provincial treasury of a transfer at least two days before the transfer of funds. Funds must be transferred no later than five days after notification Transfer funds to the provincial administration with a clear stipulation of the purpose of the funds Provide National Treasury with written notification of the transfer within 10 days of a transfer Undertake oversight visits together with the province for verifications of reported performance Submit financial and non-financial reports to National Treasury 20 days after the end of each month Provide a performance report, within 45 days after the end of the quarter in which the funds were spent, to National Treasury using the disaster allocation monitoring template agreed to with the National Treasury Together with the provinces, monitor the implementation of funded projects DHS to draft and publish guidelines for register of beneficiaries and emergency response in rural areas <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> Provinces are responsible for providing the first response in the immediate aftermath of a housing emergency and should notify DHS within 3 days after the disaster has occurred. The assessment and physical verification of the disaster should be undertaken within 2 days Provinces should apply for the Emergency Housing Grant within 14 days of the agreement that an emergency exists

Provincial Emergency Housing Grant	
	<ul style="list-style-type: none"> • Provinces to facilitate the release of municipal owned land • Together with the national DHS and PMDC, conduct initial assessments of disaster impacts to verify the applications for funding within five days following the occurrence of a reported incident that meets the conditions • Upon approval of the application by national DHS and receipt of funding, implement the intended relief measure (emergency housing solutions) in respect of the affected households and communities • Manage implementation of emergency interventions including establishing and maintaining a register or database of human settlements disasters and emergencies in the province • Plan disaster mitigation measures in collaboration with the relevant PDMC, these include public awareness and community outreach initiatives in respect of disaster mitigation • Plan for potential disaster incidents, this work includes identifying communities/households that reside on land posing a threat to health and safety as well as households who live in areas prone to flooding and/or other disasters • Facilitate identified and prioritised communities and/or households that are relocated and properly housed in formalised townships that comply with human settlement development norms and standards • Ensure that shelter solutions comply with the National Housing Code • Monitor the planning and priority development for communities/households residing in unhealthy and life-threatening circumstances and provide implementation assistance where required • Provide financial and non-financial reports to national DHS within 15 days after the end of each month (include evidence (invoices and pictures of the projects) as annexures) on a reporting template signed by a Head of Department or delegated official in the province • Ensure contingency plans are in place to facilitate the provision of emergency shelter in the immediate aftermath of a housing emergency. These plans should include having standby contracts in place that allow for the rapid deployment of emergency shelter and/or identifying safe sites for temporary shelter • Ensure that emergency procurement policies in line with the PFMA and Treasury Regulations are in place • Conduct assessments of disaster impacts together with the affected municipalities, to verify applications for funding, within 35 days of the incident while adhering to the requirements of the emergency housing programme • Provide a performance report which includes evidence on progress with implementation of the projects to the DHS within 30 days after the end of the quarter in which funds are spent • Identify communities and/or households for temporary relocation due to an imminent disaster event • Monitor the implementation of funded disaster projects by sectors • Maintain a register of the beneficiaries
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Not applicable

PUBLIC WORKS AND INFRASTRUCTURE GRANTS

Expanded Public Works Programme Integrated Grant for Provinces	
Transferring department	<ul style="list-style-type: none"> Public Works and Infrastructure (Vote 13)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> To provide funding for job creation efforts in specific focus areas, where labour intensive delivery methods can be optimised
Grant purpose	<ul style="list-style-type: none"> To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme (EPWP) guidelines: <ul style="list-style-type: none"> road maintenance and the maintenance of buildings low traffic volume roads and rural roads other economic and social infrastructure tourism and cultural industries sustainable land based livelihoods waste management
Outcome statements	<ul style="list-style-type: none"> Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities Reduced level of poverty Contribute towards increased levels of employment Improved opportunities for sustainable work through experience and learning gained
Outputs	<ul style="list-style-type: none"> Number of people employed and receiving income through the EPWP Number of days worked per work opportunity created Number of full-time equivalents (FTEs) to be created through the grant
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 2: Economic transformation and Job creation
Details contained in the business plan	<ul style="list-style-type: none"> The programme is implemented through provinces using grant agreements that contain project lists and targets for eligible provincial departments on the creation of full-time equivalents (FTEs) and work opportunities
Conditions	<ul style="list-style-type: none"> EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by Department of Public Works and Infrastructure (DPWI), the Ministerial Determination for EPWP workers, the EPWP Recruitment Guidelines and the National Minimum Wage Act 9 of 2018 including applicable gazettes Provincial departments must report on all projects via DPWI's EPWP reporting system Reports must be loaded on the EPWP reporting system every month. The system closes 15 days after the end of every quarter in order for progress to be assessed The grant cannot be used for departmental personnel costs, however a maximum of five per cent of the grant can be used to fund contract-based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods The grant can only be utilised for EPWP purposes and for the projects approved in each eligible provincial department's EPWP project list To respond to COVID-19 pandemic, provincial department may use 10 per cent of their allocations for the provision of personal protective equipment (e.g. temperature scanners, hand washing facilities, hand sanitizers as per the standard determined by the Department of Health), and provisions for physical distancing To receive the first tranche disbursement, eligible provincial departments must: <ul style="list-style-type: none"> submit a signed-off EPWP project list by 29 April 2022 sign a grant agreement with DPWI Subsequent grant disbursements are conditional upon eligible provincial departments: <ul style="list-style-type: none"> reporting on EPWP performance within the required time frames compliant reporting on EPWP Integrated Grant funded projects implementing their approved EPWP projects on the project list, as planned towards the agreed work opportunity targets submitting, on a quarterly basis, non-financial reports by the timelines stipulated in the clauses of the 2022 Division of Revenue Act reporting on EPWP Integrated Grant expenditure monthly, within the required time frames Provincial departments must ensure that EPWP branding is included as part of the project cost in line with the corporate identity manual Provincial departments must maintain participant payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPWI for data quality assessment tests
Allocation criteria	<ul style="list-style-type: none"> To be eligible for an EPWP grant allocation in 2022/23, a provincial department must have reported at least 26 FTEs in either the infrastructure or environment and culture sector in the 2020/21 financial year Newly reporting provincial departments must have reported at least 13 FTEs in either the infrastructure or environment and culture sector in the 2020/21 financial year by 15 October 2021 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 Penalties are applied to provincial departments with negative audit findings and non-compliance in terms of submission of the quarterly non-financial reports

Expanded Public Works Programme Integrated Grant for Provinces	
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance • The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas
Past performance	2020/21 audited financial outcomes <ul style="list-style-type: none"> • Of the total grant allocation of R420 million, 99.6 per cent was transferred to provinces. R404 million (96 per cent) of the transferred funds was spent by the end of the financial year
	2020/21 service delivery performance <ul style="list-style-type: none"> • 207 100 work opportunities reported and 67 325 FTEs created • Average duration of the work opportunities created is 75 days
Projected life	• Grant continues until 2022/23, subject to review
MTEF allocations	• 2022/23: R433 million, 2023/24: R435 million and 2024/25: R454 million
Payment schedule	• Three instalments per annum: 25 per cent, 13 May 2022; 45 per cent, 12 August 2022 and 30 per cent, 11 November 2022
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> • Determine eligibility and set grant allocations and FTE targets for eligible provincial departments • Publish on the EPWP website all documents relevant for provincial departments to understand and implement the grant, such as a grant manual, EPWP Recruitment Guidelines, the EPWP Ministerial Determination for EPWP workers, the EPWP Infrastructure guidelines and the National Minimum Wage Act 9 of 2018 including applicable gazettes • Support provincial departments, in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> ○ identify suitable EPWP projects, develop EPWP project lists in accordance with the EPWP project selection criteria, ○ apply the EPWP project selection criteria and EPWP guidelines to project design, ○ report using the EPWP reporting system • Monitor the performance and spending of provincial departments and assess progress towards their implementation of EPWP project lists • Disburse the grant to eligible provincial departments that comply with the DoRA requirements • Report to National Treasury progress against FTE targets and spending against the grant allocation on a quarterly basis • Conduct data quality assessments on a continuous basis to support good governance and identify areas for administrative improvement • Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions • Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system • Conduct site visits to verify existence of the projects and identify where support is needed
	Responsibilities of provincial departments <ul style="list-style-type: none"> • Develop and submit an EPWP project list to DPWI by 29 April 2022 • Sign the standard grant agreement with DPWI by 29 April 2022, agreeing to comply with the conditions of the grant before receiving any grant disbursement • Agree on the areas requiring technical support from DPWI upon signing the grant agreement • Register and report all EPWP projects on the EPWP reporting system and update progress monthly in accordance with the reporting requirements and timelines stipulated in the grant agreement
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Provincial departments must report on performance of EPWP projects for the 2021/22 financial year by 29 April 2022 or report on 2021/22 performance by 28 October 2022 to be eligible for a grant allocation • Provincial departments must submit draft 2023/24 EPWP project lists to DPWI by 28 April 2023 • Eligible provincial departments must sign the standard funding agreement with an approved 2023/24 EPWP project list by 28 April 2023

Social Sector Expanded Public Works Programme Incentive Grant for Provinces	
Transferring department	<ul style="list-style-type: none"> Public Works and Infrastructure (Vote 13)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> To increase job creation through the expansion of the social sector Expanded Public Works Programme (EPWP)
Grant purpose	<ul style="list-style-type: none"> To incentivise provincial social sector departments, identified in the EPWP social sector plan, to increase work opportunities by focusing on the strengthening and expansion of social sector programmes that have employment potential
Outcome statements	<ul style="list-style-type: none"> Improved service delivery to communities by expanding the reach and quality of social services Contribute towards increased levels of employment Strengthened capacity of non-government delivery partners through increased access to funds for wages and administration
Outputs	<ul style="list-style-type: none"> 9 852 full-time equivalents (FTEs) funded through the grant A minimum of 11 329 people employed and receiving income through the EPWP grant A minimum average duration of 200 person days for work opportunities created A minimum of 150 000 beneficiaries provided with social services
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Provincial departments must report EPWP expenditure on the monthly in-year management, monitoring and reporting tool in accordance with section 32 of the Public Finance Management Act Financial and non-financial performance must be reported onto the EPWP reporting system Provincial departments must adhere to the audit requirements stipulated in the social sector EPWP incentive grant manual The incentive grant allocation must be used to expand work opportunity creation programmes in the social sector The incentive grant allocation must be used to fund the following priority areas: <ul style="list-style-type: none"> to provide wages to unpaid volunteers at a 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 to expand social sector EPWP programmes as identified in the EPWP social sector plan for creation of additional work opportunities A minimum of 80 per cent of the total incentive allocation must be used to pay wages The balance of the overall incentive allocation must be used for administration, capacity-building at the implementation level and procurement of protective clothing and personal protective equipment (PPEs) including for COVID-19 To receive the first grant disbursement, eligible provincial departments must: <ul style="list-style-type: none"> submit a signed business plan by 31 March 2022 sign a grant agreement with the Department of Public Works and Infrastructure (DPWI) by 31 March 2022 Subsequent grant disbursements are conditional upon eligible provincial departments: <ul style="list-style-type: none"> reporting grant funded projects in the EPWP reporting system reporting expenditure of at least 25 per cent and 50 per cent (of the transferred amount) for the second and third tranches, respectively Provincial departments must submit quarterly non-financial reports in the prescribed template as per the timelines stipulated in the clauses of the 2022 Division of Revenue Act EPWP branding must be included as part of the project cost as per the corporate identity manual Relevant documents in accordance with the Ministerial Determination for EPWP should be retained by public bodies
Allocation criteria	<ul style="list-style-type: none"> To receive an incentive allocation in 2022/23, a provincial department must have reported performance in 2020/21 and the first two quarters of 2021/22 into the EPWP reporting system by 15 October 2021 To be eligible for an incentive allocation in 2022/23, a provincial department must have: <ul style="list-style-type: none"> reported performance of at least 30 FTEs in 2020/21. The previous performance data on social sector should show that provincial departments have created at least 30 FTEs per R1 million on average used its own funding in addition to the Social Sector Incentive Grant. Provincial departments that are not utilising their own funding will not be considered for eligibility Allocations are calculated in two parts as follows: <ul style="list-style-type: none"> 90 per cent of the allocation is based on provincial department's contribution towards the total FTEs reported over 18 months 10 per cent of the allocation is based on compliance to sector standards (for persons with disability, women, youth, training days, duration and wages) The following penalties are applied where there was non-compliance to conditions of the grant in 2020/21: <ul style="list-style-type: none"> one per cent for non-compliance in submission of planning documents 0.5 per cent for late submission for each quarterly non-financial report 0.5 per cent for each tranche withheld one per cent for less than 100 per cent expenditure reported in the assessment period

Social Sector Expanded Public Works Programme Incentive Grant for Provinces	
	<ul style="list-style-type: none"> ○ one per cent for non-achievement of FTE target in the assessment period
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The incentive allocation is based on the performance of programmes in a prior financial years and use of the allocation is specifically earmarked for EPWP programme expansion
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the total grant allocation of R413 million, 99 per cent was transferred to provincial departments of which R399 million (97 per cent) of was reported spent by provinces <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 16 037 FTEs were created • 20 795 work opportunities created • Average duration of 177 person days for work opportunities created • 27 326 beneficiaries received social services • 1 845 households received social services
Projected life	<ul style="list-style-type: none"> • Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R424 million; 2023/24: R426 million and 2024/25: R446 million
Payment schedule	<ul style="list-style-type: none"> • Three instalments per annum: 25 per cent, 25 April 2022; 45 per cent, 29 July 2022 and 30 per cent, 28 October 2022
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Determine the eligibility of provincial departments, set work opportunity targets, performance measures and calculate incentive allocations • Revise the incentive manual that will provide provincial departments with standard information on the rules of the incentive programme, its application, monitoring and evaluation information and audit regulations • Develop an incentive agreement outlining the requirements of the incentive grant and ensure that each provincial department signs the agreement by 31 March 2022 • Reach agreements with national sector departments on their roles in ensuring effective implementation of the incentive grant by 31 March 2022 • Support provincial departments to develop plans to meet work opportunity targets • Support sector departments to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system • Monitor the performance of provincial departments on the use of the incentive grant against the conditions in the framework and report to National Treasury on a monthly and quarterly basis • Evaluate the final performance of provincial departments after the end of the financial year • Issue guidelines to provincial departments on how to report expenditure, by 31 March 2022 • Analyse reported data and provide feedback to sector stakeholders <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Compile and sign business plans on how they will achieve the incentive grant targets by 31 March 2022 • By 31 March 2022, sign the standard incentive agreement with national DPWI agreeing to comply with the conditions and obligations of the grant before receiving any incentive payment • Report EPWP performance onto the EPWP reporting system and update progress monthly in accordance with the reporting requirements in the incentive agreement • Submit financial and non-financial reports on the use of the incentive grant on a monthly and quarterly basis in the format and manner prescribed by National Treasury and DPWI • Submit an annual evaluation report on the use of the incentive grant in the format and manner prescribed by National Treasury and DPWI
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Provincial departments must have reported EPWP performance by 29 April 2022 to be eligible for an allocation • Provincial departments participate in the planning exercise from December to January each year and submit their business plans and targets to DPWI during this process, in the format prescribed • DPWI to distribute the incentive agreements for endorsement by provincial heads of departments by the end of February every year • Provincial heads of departments to sign the incentive agreement with DPWI by 31 March 2023 and agree to comply with the conditions and obligations of the incentive grant

SPORT, ARTS AND CULTURE GRANTS

Community Library Services Grant	
Transferring department	<ul style="list-style-type: none"> • Sport, Arts and Culture (Vote 37)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part A
Strategic goal	<ul style="list-style-type: none"> • To enable the South African society to gain access to knowledge and updated information that will improve its socio-economic status
Grant purpose	<ul style="list-style-type: none"> • To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives
Outcome statements	<ul style="list-style-type: none"> • Improved coordination and collaboration between national, provincial and local government on library services • Equitable access to library and information services delivered to all rural and urban communities • Improved library infrastructure and services that meet the specific needs of the communities they serve • Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs • Improved culture of reading and literacy development
Outputs	<ul style="list-style-type: none"> • 300 000 library materials (books, periodicals, toys etc.) purchased • Library information and communication technology infrastructure and systems software installed and maintained in all provinces • New services established for the visually impaired at 10 identified community libraries in all provinces • 25 new library structures completed • four new dual-purpose library structures completed • 10 upgraded library structures completed • 30 maintained library structures completed • 2 495 existing contract library staff maintained in all provinces • Number of new staff appointed for dual-purpose libraries • 68 new staff appointed at public libraries to support the shifting of the function to provinces • Capacity building programmes for public librarians • Number of units of personal protective equipment procured (by type) • Litres of sanitisers procured • Community libraries deep cleaned due to COVID-19
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 6: Social cohesion and safe communities
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	<ul style="list-style-type: none"> • The provincial business plans must be developed in accordance with identified priority areas • Provincial departments may only request (in writing, to the transferring officer) to amend the business plan by the end of October 2022 • Provinces may not exceed the 20 per cent threshold provided for variation orders on infrastructure projects without the approval of the transferring officer • To qualify for allocations in 2023/24 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 2022 Medium Term Expenditure Framework (MTEF) provided funding is available • Grant funding must not be used to replace funding for items that provinces have previously allocated to community libraries • Provinces may use a maximum of 5 per cent of the total amount allocated to them for capacity building and provincial management of the grant at the provincial department and the details of how these funds will be used must be included in their respective business plans • Provinces must include in their business plans, the scope of work for upgrades, including the budget to be committed to the upgrading of existing libraries • Provinces must include in their business plans the scope of work and budget for maintenance of projects • Funds earmarked to support Schedule 5 function shift in category B municipalities and to establish dual purpose service points may only be used for that purpose. Provinces may use up to 80 per cent of their earmarked allocations in 2022/23 to address the Schedule 5 function shift imperative in category B municipalities. At least 20 per cent of the earmarked allocations must be used to establish and sustain dual purpose service points in collaboration with provincial departments of basic 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"> ○ Eastern Cape: R71 million

Community Library Services Grant	
	<ul style="list-style-type: none"> ○ Free State: R91 million ○ Gauteng: R 98 million ○ KwaZulu-Natal: R88 million ○ Limpopo: R30 million ○ Mpumalanga: R68 million ○ Northern Cape: R61 million ○ North West: R75 million ○ Western Cape: R88 million <ul style="list-style-type: none"> • Service level agreements (SLAs) determining reporting protocols must be signed with receiving municipalities within two months after the 2022 Division of Revenue Act (DoRA) takes effect • The SLAs must include financial commitments over the MTEF in addition to the payment schedules to municipalities and reporting protocols which outline measurable performance targets for each municipality • The allocations from this conditional grant funding must only be used for items that are provided for in the conditional grant framework and in line with the approved business plan • To respond to the COVID-19 pandemic, provinces must submit business plans that include the use of grant funds for hand sanitizer for library users, sanitization and deep cleaning of libraries and provision of personal protective equipment for staff • Provinces must report separately on COVID-19 expenditure, in their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on an evaluation report for 2020/21 conducted by the national Department of Sport, Arts and Culture (DSAC) which identified community library needs and priorities for 2022
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This funding is intended to address backlogs and disparities in the provision and maintenance of community library services across provinces, and enable the DSAC to provide strategic guidance and alignment with national priorities
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Allocated R1.4 billion and 100 per cent of the allocation was transferred to provinces. R1.1 billion was spent by provinces by the end of the financial year, 93.9 per cent of the total after including provincial roll-overs <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 11 new libraries built • 44 libraries upgraded • 41 new staff appointed • 89 285 library materials procured
Projected life	<ul style="list-style-type: none"> • The projected life will be informed by evaluation reports. Allocations may become part of the provincial equitable share in 2023/24 if provinces have completed the function shift and completed a process that leads to the full funding of the service
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R1.6 billion; 2023/24: R1.6 billion and 2024/25: R1.6 billion
Payment schedule	<ul style="list-style-type: none"> • Four instalments: 14 April 2022; 15 July 2022; 14 October 2022; and 20 January 2023
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Establish an intergovernmental forum with provinces that meets at least twice a year to discuss issues related to the provision of community library services • Participate in at least one intergovernmental forum meeting per province between provinces and municipalities per year • Identify challenges and risks and prepare mitigation strategies • Monitor and evaluate implementation • Evaluate annual performance of the grant for the previous financial year, for submission to National Treasury within four months after the end of the financial year • Submit monthly financial and quarterly performance reports to the National Treasury • Determine outputs and targets for 2023/24 with provincial departments • DSAC must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Provinces must establish intergovernmental forums with municipalities within their province that are funded through this grant, that meet at least three times a year to discuss issues related to the provision of community library services • Provincial departments must establish capacity to monitor and evaluate SLAs with municipalities • Provinces must maintain the number of staff appointed using this conditional grant • Submit evaluation reports to the DSAC within two months after the end of the financial year • Submit signed monthly financial reports to DSAC within 15 days after the end of every month • Submit quarterly performance reports to the DSAC within 30 days after the end of the quarter • Provinces must complete the conversion of contract staff to permanent staff by end of April 2023 • Provinces must report separately on COVID-19 expenditure, in their reports submitted in terms of the requirements of section 12 of the Division of Revenue Act

Community Library Services Grant	
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Provinces must submit function shift progress report to DSAC by 30 November 2022 • Progress reports must detail at least the following: <ul style="list-style-type: none"> ○ criteria that will be used to evaluate the capacity of municipalities to administer the function on behalf of the province ○ a policy framework for funding municipalities that administer the service with details of this funding for a three-year time period • Provinces to submit draft business plans to DSAC by 6 September 2022. Business plans must be aligned to their strategies for full funding of the function • DSAC to evaluate provincial business plans and provide feedback to provinces by 30 September 2022 • Provinces to submit final provincial business plans to DSAC by 31 January 2023 • DSAC approves business plans and submits them to National Treasury by 31 March 2023

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

Mass Participation and Sport Development Grant	
	<ul style="list-style-type: none"> • Provinces must ring-fence R10 million to provide transport, attire and delivery of provincial teams to the various segments of the national school sport championships. The allocation to the host province will consider the funds required for hosting the national championships and will include accommodation, meals and other costs associated with staging of the championships • The remaining school sport allocation must be allocated as follows: <ul style="list-style-type: none"> ○ 10 per cent for training of people to deliver school sport ○ 20 per cent to purchase equipment and or attire for schools below quintile 3 identified through participation in leagues ○ 40 per cent to deliver district and provincial competitions ○ 15 per cent to remunerate coordinators who coordinate, support, monitor and evaluate school sport at district and local levels ○ 15 per cent to support school sport structures <p>Community sport and active recreation: 39 per cent</p> <p>Active recreation: 19 per cent</p> <ul style="list-style-type: none"> • Provinces must ring-fence R3 million per province for the National Youth Camp to provide transport, accommodation, meals, attire, security, public liability, medical support, stationery, and the costs associated with plenary meetings • The remaining active recreation allocation must be allocated as follows: <ul style="list-style-type: none"> ○ 40 per cent for people actively participating in organised sport and active recreation events ○ 20 per cent to purchase equipment and attire ○ 20 per cent for remuneration of community sport coordinators ○ 5 per cent for ministerial outreach programmes ○ 15 per cent for training <p>Club development: 20 per cent</p> <ul style="list-style-type: none"> • The portion of the grant ring-fenced for club development must be allocated as follows: <ul style="list-style-type: none"> ○ 65 per cent to support leagues and the clubs that are in the rural sport development programme club development ○ 15 per cent for accredited training in sport administration, team management, coaching and technical officiating ○ 15 per cent to purchase sport equipment and attire ○ 5 per cent for remuneration of club development coordinators <p>Sport academies: 9 per cent</p> <ul style="list-style-type: none"> • The allocation must be used for the support and resourcing of district and provincial academies in line with sport academies framework and guidelines of DSAC <ul style="list-style-type: none"> ○ 40 per cent for resourcing of district and provincial academies (equipment and remuneration of personnel) ○ 40 per cent for athlete support as documented in the academy framework ○ 5 per cent for sport focus schools ○ 15 per cent training • The allocation must be used to provide support to accredited sport focus schools that meet the specified requirements outlined in the sport academies framework. Provision of support to schools includes: <ul style="list-style-type: none"> ○ upgrading sport facilities ○ resourcing them with a gymnasium ○ establishing a basic medical facility/room with basic equipment ○ providing sport code specific equipment <p>Transversal matters: 4 per cent</p> <p>Provincial sport confederation: 2 per cent</p> <ul style="list-style-type: none"> • Provinces may transfer funds to the provincial sport confederation provided: <ul style="list-style-type: none"> ○ a transfer plan has been developed and submitted together with a signed business plan approved by DSAC ○ a service level agreement has been entered into between the provincial department and the provincial sport confederation stating clearly what is expected of the provincial sport confederation ○ a monitoring mechanism is in place to monitor expenditure and performance by the sport confederation as per the SLA <p>Provincial programmes: 1 per cent</p> <ul style="list-style-type: none"> • These are specific provincial programmes that contribute to the “I Choose 2B Active” Campaign and Recognition programme <p>Management: 8 per cent</p> <p>Appointing staff: 7 per cent</p> <ul style="list-style-type: none"> • Provinces are expected to utilise this portion of the allocation for the appointment of staff • Staff must be appointed on a three-year contract to implement conditional grant programmes. The allocation is not for support staff in programmes such as finance, planning, monitoring and evaluation or research <p>Administration: 1 per cent</p> <ul style="list-style-type: none"> • Provinces are expected to use this portion of the allocation to ensure that all their submissions are packaged properly (including business plans project implementation plan monthly, quarterly and annual reports) and for logistical arrangements relating to the administration of the grant
Allocation criteria	<ul style="list-style-type: none"> • Each province is allocated a baseline of R20 million, thereafter the equitable share formula proportions are applied to determine the remaining amount

Mass Participation and Sport Development Grant	
	<ul style="list-style-type: none"> • R30 million from the total conditional grant allocation is ring-fenced towards the preparation and delivery of the 2023 Netball World Cup and is allocated to the Western Cape province. The province will transfer this amount to the Netball World Cup 2023 local organising committee. A service level agreement will be signed between the province and the Netball World Cup 2023 local organising committee • The Northern Cape's allocation is increased due to ensure an increase in participation due to the vastness of the province. R2 million and R3 million has been deducted from Gauteng and KwaZulu-Natal respectively to fund this
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • The conditional grant is assisting the sport sector in implementing the National Sport and Recreation Plan objectives
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • R620 million was allocated and R620 million (100 per cent) was transferred to provinces. R626.9 million was available for provinces to spend (including provincial roll-over of R6.9 million). R539.8 million (86 per cent) was spent by provinces <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 58 439 people actively participating in organised sport and active recreation events • 120 345 learners participating in school sport tournaments at district level • 5324 schools, hubs and clubs provided with equipment and/ or attire • 2249 athletes supported by the sport academy • 55 sport academies supported
Projected life	<ul style="list-style-type: none"> • Grant continues until 2022/23, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R604 million; 2023/24: R604 million; 2024/25: R631 million
Payment schedule	<ul style="list-style-type: none"> • Four instalments: 26 May 2022; 26 August 2022; 25 November 2022 and 26 January 2023
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Evaluate annual reports for the 2020/21 grants for submission to the National Treasury by 29 July 2022 • Agree on outputs and targets with provincial departments in line with grant objective for 2023/24 by 31 August 2022 • Provide the guidelines and criteria for the development and approval of business plans • Monitor implementation and provide support • Submit approved business plan for 2022/23 to the National Treasury by 29 April 2022 • Submit quarterly performance reports to National Treasury 45 days after the end of each quarter • Ensure that all the conditional grant practice notes issued by National Treasury are adhered to • Desktop monitoring: analysis of monthly and quarterly reports received by provinces • Physical verification visits to the provinces to verify what has been reported in the monthly and quarterly reports • Hold quarterly review sessions with all conditional grant role players from the provinces • May implement internal mechanisms to manage the quarterly disbursements of the grant where there is non-compliance with the conditions of the grant. This may include withholding and reallocation of tranche payments <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Submit the 2021/22 annual evaluation report to DSAC by 27 May 2022 • Submit monthly reports as per the requirements contained in the 2022 Division of Revenue Act • Monitor progress of programmes delivered through the conditional grant • Western Cape province must report on progress with preparatory work for the 2023 Netball World Cup so that spending and progress on these activities can be separated from the performance of the rest of the grant • Ensure that conditional grant managers attend all national conditional grant meetings • Ensure that capacity exists to manage the grant and that there is a grant manager responsible for the grant framework, planning, implementation and reporting • Ensure organisational capacity to deliver on the programmes that are implemented through the grant
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Provinces submit draft business plan to DSAC by 9 December 2022 • DSAC evaluates draft business plans by 15 December 2022 • Comments sent to provinces by 16 January 2023 • Provinces submit revised business plans to DSAC by 10 February 2023 • Head of department approves business plan by 31 March 2023 • DSAC submits business plans to National Treasury by 28 April 2023

TRANSPORT GRANTS

Provincial Roads Maintenance Grant	
Transferring department	<ul style="list-style-type: none"> Transport (Vote 40)
Grant schedule	<ul style="list-style-type: none"> Schedule 4, Part A
Strategic goal	<ul style="list-style-type: none"> To ensure efficient and effective investment in provincial roads to implement the Road Infrastructure Strategic Framework for South Africa in line with the S'hamba Sonke road programme and other related road infrastructure asset management programmes
Grant purpose	<ul style="list-style-type: none"> To supplement provincial investments for road infrastructure maintenance (routine, periodic and special maintenance) To ensure that all roads are classified as per the Road Infrastructure Strategic Framework for South Africa 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
Outcome statements	<ul style="list-style-type: none"> Improve the condition and lifespan of provincial roads and level of service backed by a periodic five-year review of the road network conditions Improved rates of employment and community participation through labour-intensive construction methodologies and skills development through the delivery of roads infrastructure projects
Outputs	<ul style="list-style-type: none"> Final road asset management plan and tabled project list for the 2022 medium term expenditure framework (MTEF) in a table B5 format finalised by 31 March 2022 Network condition assessment and determination of priority projects list from the road asset management systems The following actual delivery related measures against 2022/23 targets defined in the final road asset management plan and annual performance plan for each province: <ul style="list-style-type: none"> number of m² of surfaced roads rehabilitated (quarterly) number of m² of surfaced roads resurfaced (overlay or reseal) number of m² of blacktop patching (including pothole repairs) number of kilometres of gravel roads re-gravelled number of kilometres of gravel roads bladed number of kilometres of gravel roads upgraded (funded from provincial equitable share) The following performance, based on national job creation indicators: <ul style="list-style-type: none"> number of jobs created number of full time equivalents created number of youths employed (age 18 – 35) number of women employed number of people living with disabilities employed Number of small, medium micro enterprises contracted on the provinces' contractor development programme Updated road condition data (paved and unpaved) including instrumental/automated road survey data, traffic data, safety audit report and bridge conditions
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses a road asset management plan which contains the following details: <ul style="list-style-type: none"> network hierarchy performance management framework gap analysis information and systems, and lifecycle planning current and future demand financial plan monitoring, reviewing and continual improvements
Conditions	<ul style="list-style-type: none"> This grant funds routine, periodic and special maintenance road infrastructure projects 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 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 Any other improvements to roads and new facilities must be funded from the provincial equitable share The framework must be read in conjunction with the practice note issued by the Department of Transport (DoT) as agreed with National Treasury Provinces must show commitment by budgeting from the provincial equitable share to match or exceed grant allocations To ensure efficient usage of grant funds, the DoT, in consultation with National Treasury, can instruct that provinces to utilise national transversal appointments for project implementation The payment of the first instalment is dependent upon submission to the national DoT and the relevant provincial treasury of the following: <ul style="list-style-type: none"> planning for the infrastructure reporting model for the 2022 MTEF by 22 April 2022 final road asset management plan and tabled project list for the 2021 MTEF in a table B5 format by 31

Provincial Roads Maintenance Grant	
	<p>January 2022</p> <ul style="list-style-type: none"> ○ submission to DoT of all the quarterly performance reports that have become due for the 2021/22 financial year, in terms of the Division of Revenue Act and the requirements of this framework, prior to date of release of payment ● Payment of subsequent instalments is dependent upon the submission of the following: <ul style="list-style-type: none"> ○ previous quarter's monthly infrastructure reporting model reports ○ all quarterly performance reports that have become due, in terms of the Division of Revenue Act, prior to date of release of payment ● The signed-off annual grant performance evaluation report and signed off draft road asset management plan and project list in table B5 format will remain a requirement for the second instalment as required by the Division of Revenue Act and the requirements of this framework ● The infrastructure programme management plan and road asset management systems data submission will be a requirement for the third tranche ● The infrastructure programme implementation plan and 2023/24 project list will be a requirement for the fourth tranche ● For the Road Infrastructure Strategic Framework class R1, R2 and R3 roads, the data collection requirements are: <ul style="list-style-type: none"> ○ visual condition data according to technical methods for highway nine for pavements no older than two years, and technical methods for highway 19 for bridges no older than five years ○ instrumental pavement data for roughness, rut depth and macro texture according to technical methods for highway 13 no older than two years ○ instrumental pavement data for deflections according to technical methods for highway 13 no older than five years ○ traffic data according to technical methods for highway three, technical methods for highway eight and technical methods for highway 14 no older than three years ● 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 2022 ● The Provincial Road Maintenance Grant (PRMG) allocation can be allocated to the following projects as identified and prioritised through the provincial road asset management systems: <ul style="list-style-type: none"> ○ 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 regravelling, and blading ○ periodic maintenance (operating expenditure): includes periodically scheduled activities such as fog sprays/diluted emulsions/rejuvenators, surface seals and functional asphalt overlays < 50 mm in thickness. For gravel roads it includes re-gravelling up to 100 mm thick ○ special maintenance (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 < 50 mm. Also includes reinstatement of slope stability, repairs to existing structures and the repair of damage caused by floods or accidents ○ 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 > 80mm thick and upgrading or block paving of gravel roads with more than 300 vehicles per day. These rehabilitation activities are however limited to a maximum of 25 per cent of the PRMG allocation ● The PRMG allocation cannot be allocated to the following projects: <ul style="list-style-type: none"> ○ any costs associated with feasibility studies, tendering & programme management support ○ the hire, purchasing, repairs, maintenance and operational costs of construction plant & equipment ○ 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 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 ○ the upgrading of gravel roads to surface roads, the construction of new roads and new interchanges do not qualify for funding under this grant ○ new facilities (capital expenditure): this comprises works that aim to improve network capacity and includes the upgrading of earth (dirt) road to an engineered gravel road, the upgrading of a gravel road to a surfaced road and upgrading of single carriageway road to four-lane or dual carriageway road. The construction of new gravel or surfaced road where previously no road existed (brown/green fields construction). The construction of new bridge to replace existing bridge or new interchange to replace intersection ● The following amounts per province must be used in 2022/23 for the repair of infrastructure damaged by the natural disaster in KwaZulu-Natal in 2019 and declared in respective provincial gazettes, and as verified by the National Disaster Management Centre (NDMC): <ul style="list-style-type: none"> ○ 2022/23: R490 million ○ 2023/24: R293 million ● Should the cost of repairing the disaster affected infrastructure exceed the amounts earmarked above province must fund that shortfall from their provincial equitable share

Provincial Roads Maintenance Grant	
	<ul style="list-style-type: none"> • Business plans for the allocated disaster funds must be submitted to the NDMC and DoT prior to the transfer of the allocation • Disaster reconstruction and rehabilitation funds may only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans • Quarterly performance reports on disaster allocations must be submitted to the NDMC and DoT
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on the PRMG formula, which takes into account the extent of the provincial road network (gravel/paved), the traffic volumes, the visual condition indices on the network and geo-climatic and topographic factors • Unallocated amounts in 2023/24 and 2024/25 will be allocated as an incentive based on the level of service efficiency achieved in road project investments undertaken
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This grant is intended to ensure that provinces give priority to road infrastructure and promote efficiency in road investment
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R10.5 billion allocated, R9.8 billion, (97 per cent) was spent by provinces by the end of the national financial year • In addition of the R630 million allocated for rural roads, was allocated to provinces <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • Provinces developed and updated the road asset management plan • 22 232 kilometers of surfaced roads visually assessed as per the applicable technical methods for highway manual • 26 575 kilometers of gravel roads visually assessed as per the applicable technical methods for highway manual • 4 800 946 of m2 of surfaced roads rehabilitated (effectively 934 km) • 7 021 417 of m2 of surfaced roads resurfaced (overlay or reseal) (effectively 1809 km) • 1 158 366 of m2 of blacktop patching (including pothole repairs) (effectively 556 km) • 4035 kilometres (km) of gravel roads re-gravelled • 352 233 kilometres (km) of gravel roads bladed • 99 204 number of jobs created • 5 353 number of full-time equivalents created • 18 461 number of youths employed (18-35) • 76 662 number of women employed • 158 number of people living with disabilities employed
Projected life	<ul style="list-style-type: none"> • The grant is ongoing, but will be subject to periodic review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R11.3 billion; 2023/24: R13.3 billion and 2024/25 R13.6 billion
Payment schedule	<ul style="list-style-type: none"> • Payment will be made in accordance with a payment schedule agreed to with provinces and approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Submit quarterly performance reports to National Treasury 45 days after the end of each quarter • Submit a grant evaluation report to National Treasury four months after the end of the financial year • Review the performance-based allocation mechanism for use in determining future allocations • Confirm the correctness of data submitted by provinces by assessing a representative sample • Ensure that road asset management plan project list and infrastructure reporting model are updated and aligned • Upload submitted road condition data into a central repository • Monitor project implementation through on-going engagements, quarterly through bilateral and site inspections • 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 Division of Revenue Act. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in of the Division of Revenue Act • 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 <p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • 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 • Provinces must align the road asset management plan, project list and ensure the infrastructure reporting model the ERS and eQPR systems are kept up to date • Identification and preparation of project profile reports in partnership with the DoT • Identification and submission of projects to be implemented by the DoT • Reports from provinces shall also have information on job creation and contractor development programme • Ensure that table B5 project list is tabled at the provincial legislature before being gazetted by the member of the executive council • Submit completed and signed off quarterly performance report templates 30 days after the end of each quarter, together with a separate and signed off report on safety projects as per the requirements of the performance incentive allocation • Submit completed and signed-off annual grant performance evaluation reports 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

Provincial Roads Maintenance Grant	
	<ul style="list-style-type: none"> • Provincial departments must implement their projects in line with the S'hamba Sonke and the Expanded Public Works Programme guidelines • Ensure that approved grant funded projects are published as part of the Estimates of Provincial Revenue and Expenditure through the provincial legislative processes • Ensure projects are selected using road asset management system as the primary source of information • Design and implement projects in compliance with the S'hamba Sonke principles and Expanded Public Works Programme guidelines • Submit updated road condition data (for paved and unpaved roads) including instrumental/ automated road survey data, traffic data, safety audit report and bridge condition data by 30 September 2022
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Provinces must submit a draft 2023/24 road asset management plan with a minimum of five years of planned projects selected using road asset management system as the primary source, by 30 June 2022 • Provinces must submit the Infrastructure Programme Management Plan including 2023 MTEF project list by 31 August 2022 • Road asset management plans, including 2023 MTEF prioritised project lists (the Infrastructure Programme Management Plan) must be reviewed by DoT and feedback provided by 30 September 2022 • Provinces must submit the Infrastructure Programme Implementation Plan including 2023/24 delivery project list by 30 November 2022 • Provinces to submit final 2023/24 road asset management plan and table B5 to DoT, the relevant provincial treasury and National Treasury by 31 January 2023 indicating all the required planned targets

Public Transport Operations Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 40)
Grant schedule	<ul style="list-style-type: none"> • Schedule 4, Part A
Strategic goal	<ul style="list-style-type: none"> • Subsidised road based public transport services
Grant purpose	<ul style="list-style-type: none"> • To provide supplementary funding towards public transport services provided by provincial departments of transport
Outcome statements	<ul style="list-style-type: none"> • The provision of public transport services in terms of contracts which are kilometre based and affordable to the users of the services • Improved efficiencies in public transport spending
Outputs	<ul style="list-style-type: none"> • Number of vehicles subsidised • Number of vehicles subsidised (cumulative annual number) • Number of scheduled trips • Number of trips operated • Number of passengers • Number of kilometres • Number of employees <p>Response to COVID-19 pandemic</p> <ul style="list-style-type: none"> • Number of public transport vehicles sanitised • Number of public transport facilities sanitised • Number of hand-washing facilities installed • Litres of sanitiser and disinfectant procured • Number of public transport drivers and other frontline public transport workers provided with personal protective equipment (by type of equipment per category of worker)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 2: Economic transformation and job creation • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • Not applicable
Conditions	<ul style="list-style-type: none"> • This conditional grant provides supplementary funding to subsidise service contracts entered into between the provincial departments of transport and public transport operators for the provision of affordable subsidised transport services • If the contracting function is devolved to any municipality before the 2022/23 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 2022 Division of Revenue Act • 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 2022 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 • 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 • For the purpose of planning, provinces must share relevant information with municipalities relating to this grant, where services link to integrated public transport networks • All new contracts, including designs and operators' business plans detailing subsidised services, must be approved by the public transport integration committee, and be in line with relevant legislation and in compliance with the public transport strategy. Where an intermodal planning committee is established at municipal level, in terms of the National Land Transport Act, the functions of the two committees must be consolidated to ensure integration of planning, services and modes • Provinces must ensure that public transport integration committees are established and functional and that no new contracts are paid from the grant if they are not considered by the public transport integration committee • In order to ensure efficient usage of grant funds, the DoT in consultation with the National Treasury can instruct that contracting authorities to utilise national transversal appointment for items such as professional services for service design, vehicles and information technology (including automated fare collection), and vehicle tracking • Arrangements for the IC52/97 (Moloto Road Bus Contract): Part of Gauteng's allocation is ring-fenced for the introduction of a new contract to replace IC52/97 (Moloto Road Bus Contract) in 2022/23 as determined by National Treasury after consultation with the DoT and the province • To respond to the COVID-19 pandemic, provinces may use grant funds for the sanitisation of public transport vehicles and other public transport facilities, including the provision of personal protective equipment for public transport workers, hand washing facilities and provisions for physical distancing • Provinces must report separately on COVID-19 expenditure, in their reports submitted in terms of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> • 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

Public Transport Operations Grant	
	individual operator's budgets and ensure that the operation stays within the allocation or provide supplementary funds from their provincial budget
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> Subsidies are earmarked for the provision of public transport services
Past performance	2020/21 audited financial outcome <ul style="list-style-type: none"> Allocated and transferred R6.7 billion to provinces of which R5.9 billion was spent by the end of the national financial year
	2020/21 service delivery performance <ul style="list-style-type: none"> Number of vehicles subsidised: 6170 Number of kilometres subsidised: 185 327 944 Subsidy per passenger: R8.21 Subsidy per kilometre operated: R8.25 Passengers per vehicle: 2191.6 Passengers per trip operated: 35.4 Employees per vehicle: 2.1
Projected life	<ul style="list-style-type: none"> As provided for in the National Land Transport Act 5 of 2009
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R7.1 billion; 2023/24: R7.4 billion and 2024/25: R7.7 billion
Payment schedule	<ul style="list-style-type: none"> Monthly instalments according to a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> Disburse allocations to provinces Collect and evaluate operational and financial data from provinces and consolidate for submission to National Treasury Maintain a national database with key performance indicators of public transport services as per data received from provinces Submit quarterly and annual reports to National Treasury in line with Division of Revenue Act requirements and time frames Advise provinces/contracting authorities regarding the design of contracted services In the event that a service level agreement is signed between Gauteng province and the national department for the management of the IC52/97 contract, the service level agreement must include provision for capacity and resources needed to administer the contract Implement internal mechanisms to monitor adherence to grant conditions and manage the disbursements of the grant where there is non-compliance. Measures to address non-compliance include withholding transfers, as provided for the Division of Revenue Act. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of the Division of Revenue Act DoT must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre
	Responsibilities of provincial departments <ul style="list-style-type: none"> Any contractual agreement entered into in relation to this grant will be the responsibility of the contracting authority Provincial departments remain responsible for funding any shortfall experienced on this grant from their provincial equitable share Ensure that contracted operators' certified claims are paid within 30 days from the date of receipt Provinces must monitor and verify the correctness of the operators' claims in terms of the kilometres of service provided and provide a monthly summary report to the transferring officer Certify and submit monthly performance reports to DoT within 25 days after the end of the month, and quarterly performance reports within 30 days after the end of each quarter using the reporting format developed by DoT Provinces must inform the transferring officer of any disputes or challenges that may lead to service disruptions Provinces must ensure that public transport integration committee are established and functional and that no new contracts are paid from the grant if they are not considered by the public transport integration committee for approval Provincial departments must submit monthly report on COVID-19 expenditure at the end of each month
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Not applicable

Annexure W3: Frameworks for Conditional Grants to Municipalities

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

Introduction

This annexure provides a brief description for each grant in Schedule 4, Part B; Schedule 5, Part B; Schedule 6, Part B; and Schedule 7, Part B of the 2022 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
- 2022 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving municipalities
- Process for approval of business plans for 2023/24

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, 2022 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2022/23 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

COOPERATIVE GOVERNANCE GRANTS

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

Integrated Urban Development Grant	
	<ul style="list-style-type: none"> • Before newly participating municipalities can receive their first tranche, their three-year capital programme and 10-year Capital Expenditure Framework must have been approved through processes led by the Department of Cooperative Governance (DCoG) • The second transfer will only be released to municipalities that have spent at least 50 per cent of their first tranche • A maximum of 5 per cent of a municipality's IUDG allocations may be used for programme management costs related to grant funded projects, only if a business plan for their programme management unit is approved by the transferring officer before the start of the municipal financial year. If these funds (5 per cent) are not planned or spent for this purpose they must revert back to capital projects in the IUDG • Local municipalities investing in roads infrastructure must utilise data from the Rural Roads Asset Management System (RRAMS), where available, to identify and prioritise their investment on roads projects; including maintenance • IUDG funds can be used for road maintenance only if projects are planned and prioritised using RRAMS data • Ring-fenced sport infrastructure allocation: <ul style="list-style-type: none"> ○ municipalities that have allocations gazetted as part of the ring-fenced allocation for specific sport infrastructure projects may only spend these allocations on the projects identified by the Department of Sports, Arts and Culture (DSAC) ○ municipalities must make use of framework contracts approved by DSAC when implementing projects funded from this allocation unless an exemption from this requirement is approved by DSAC ○ initial transfers of funds from the ring-fenced funds will be subject to signing of a memorandum of understanding between DSAC and the beneficiary municipalities ○ subsequent transfers funded through the ring-fenced amount will also be subject to approval by DSAC • Municipalities that are already part of the IUDG but do not continue to meet all of the qualification criteria for the grant must adopt and implement a Performance Improvement Plan (PIP) and meet the qualification criteria within 2 years of the implantation of the PIP if they are to remain part of this grant. By the 31st of March 2022, Polokwane Local Municipality and Sol Plaatjie Local Municipality must have adopted PIPs, which must: <ul style="list-style-type: none"> ○ be agreed with DCoG ○ set out measurable indicators to improve performance on the gaps in the municipality's performance on IUDG qualification criteria ○ address how the audit action plan will be implemented ○ be adopted by the municipal council • Municipalities implementing a PIP must submit quarterly reports on its progress to DCoG • 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 Environment, Forestry and Fisheries (DEFF) and a final recommendation from the national DEFF before it is considered. Vehicles may not be purchased with IUDG funds for other purposes • To respond to the COVID-19 pandemic: <ul style="list-style-type: none"> ○ municipalities must prioritise the provision of water and sanitation to communities that do not currently have access to water services ○ municipalities may spend 10 per cent of their allocations for the urgent repair and refurbishment of water and sanitation infrastructure to restore functionality ○ municipalities may use up to 10 per cent of their allocations for the sanitisation of public transport facilities and other municipal public facilities including the provision of temperature scanners, hand washing facilities, hand sanitisers (as per the standard determined by the Department of Health), personal protective equipment for municipal and public transport workers and provisions for physical distancing; and to repair municipal-owned infrastructure identified for quarantine sites (limited to repairs to existing facilities, not modifications and operational costs) ○ municipalities must submit a separate business plan through their programme management unit for this spending under the Special Municipal Infrastructure Fund (SMIF) option in the MIG-MIS by 29 July 2022. Municipalities must report on how these funds are spent through the MIG-MIS. DCoG may approve that amounts above the 10 per cent threshold be used for these activities based on the municipality's motivation and its progress on committed projects • Polokwane Local Municipality should not use the sanitisation provision for the sanitisation of public transport facilities as it is funded for this in the Public Transport Network Grant • Municipalities must report on the use of funds for the COVID-19 response in line with the requirements of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> • Allocations are focused on municipalities whose circumstances align with the IUDG's criteria, these include: higher urban population densities and high economic activity • The IUDG includes a base component, a performance-based component and a once-off planning component

Integrated Urban Development Grant	
	<ul style="list-style-type: none"> • Most of the total IUDG allocation is the base allocation derived from the Municipal Infrastructure Grant (MIG) formula explained in part five of annexure W1 of the 2022 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data • A portion of the total IUDG allocation is allocated as a performance incentive. The performance-based component is also weighted according to the allocations in the MIG formula. This allocation is then adjusted based on performance against the following weighted indicators: <ul style="list-style-type: none"> ○ non-grant capital as a percentage of total capital expenditure (40 per cent) ○ repairs and maintenance expenditure (30 per cent) ○ asset management plan (30 per cent) ○ land use applications in priority areas (0 per cent - this factor is dormant in 2022/23) ○ building plan applications in priority areas (0 per cent - this factor is dormant in 2022/23) • An equivalent of 3 per cent of the MIG formula allocation for participating municipalities is allocated to undertake specified planning activities, provided that these conform to the list of eligible activities identified by the transferring officer, including: <ul style="list-style-type: none"> ○ a detailed three-year capital programme and a 10-year Capital Expenditure Framework ○ property market empirical and diagnostic studies ○ integrated infrastructure and spatial planning for identified integration zones ○ investment pipeline development ○ municipal systems and/or measures to improve ease of doing business such as construction permits and land use applications ○ asset management plan ○ identified priority areas for spatial transformation in line with the Spatial Development Framework and Capital Expenditure Framework ○ development of infrastructure financing strategies and instruments including finance strategy for green infrastructure ○ implementation of an agreed performance improvement plan ○ private sector engagement strategy and programme indicating how the municipality will partner with different stakeholders on the delivery of the Capital Expenditure Framework ○ development of climate change mitigation and adaptation plan or strategy
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share
Past performance	<p>2020/21 audited financial performance</p> <ul style="list-style-type: none"> • 95 per cent of the allocated funds were spent in 2020/21 <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for: <ul style="list-style-type: none"> ○ 5 997 households provided with basic water ○ 5 751 households provided with sanitation services ○ 6 314 households provided with electricity • Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure): <ul style="list-style-type: none"> ○ 4 central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites developed ○ 3 sport and recreation facilities developed ○ 2 public facilities developed ○ 20 kilometres of municipal roads developed • 4 664 FTEs created using the EPWP guidelines for the above outputs
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R1.1 billion; 2023/24: R1.1 billion and 2024/25: R1.2 billion
Payment schedule	<ul style="list-style-type: none"> • The grant will be paid in three instalments: July 2022, December 2022 and March 2023, in line with the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national departments</p> <ul style="list-style-type: none"> • DCoG administers the IUDG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must: <ul style="list-style-type: none"> ○ monitor expenditure and non-financial performance in collaboration with provincial departments of cooperative governance ○ coordinate overall programme implementation ○ share all reports on COVID-19 expenditure with the National Disaster Management Centre and report separately on COVID-19 expenditure in its reports submitted in terms of the requirements of section 10 of the Division of Revenue Act • The Municipal Infrastructure Support Agent must support municipalities that have been identified collaboratively by DCoG and its provincial counterparts as needing assistance • The Department of Environment, Forestry and Fisheries must make the final recommendation on the TAR for the purchasing of specialised waste management vehicles • In addition to the sector-specific support and advice, the Department of Water and Sanitation, Department of Environment, Forestry and Fisheries, Department of Transport, Department of Mineral Resources and Energy and DSAC will be expected to:

Integrated Urban Development Grant	
	<ul style="list-style-type: none"> ○ provide sector policies and plans to municipalities as informants to the preparation of Capital Expenditure Frameworks ○ participate in processes to approve the 10-year Capital Expenditure Framework and three-year capital programme ○ fulfil a sectoral monitoring and guidance role on relevant sectoral outputs. National sector departments will be invited to participate in IUDG in-year monitoring meetings in order to facilitate this role
	<p>Responsibilities of the provincial departments</p> <ul style="list-style-type: none"> ● Provincial departments responsible for local government must: <ul style="list-style-type: none"> ○ coordinate technical support to municipalities ○ provide assistance to municipalities in managing municipal infrastructure projects ○ participate in processes to approve the 10-year Capital Expenditure Framework and three-year capital programme ○ participate in in-year monitoring meetings ○ verify outputs and outcomes reported by municipalities on a sample of projects annually ● Provincial treasuries must: <ul style="list-style-type: none"> ○ participate in processes to approve the 10-year Capital Expenditure Framework and three-year capital programme ○ participate in in-year monitoring meetings ● 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
	<p>Responsibilities of the municipalities</p> <ul style="list-style-type: none"> ● Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and this must be informed by the Integrated Development Plan, three-year capital programme and the 10-year Capital Expenditure Framework ● Municipalities must monitor projects during the year and use this monitoring to inform reporting to DCoG ● Municipalities must report monthly, quarterly and at the end of the financial year in the prescribed format(s) and timelines ● Monthly, quarterly and annual reports must be signed-off by the Accounting Officer or the delegated official and submitted directly to provincial coordinators of DCoG
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> ● Eligibility for the IUDG and minimum conditions for qualification are outlined in Annexure W1 to the 2022 Division of Revenue Bill ● If a Category B municipality wishes to apply for the IUDG for 2023/24 and is not already classified as an intermediate city municipality, it must submit an application to be classified as an intermediate city municipality by 29 April 2022. The municipality will receive notification of the outcome of its application by the 30 June 2022 ● 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 29 July 2022 ● Municipalities that will be receiving the IUDG for the first time in 2023/24 must submit a first draft of the three-year capital programme and 10-year Capital Expenditure Framework to the transferring officer by 31 March 2022 and the final versions of the three-year capital programme and 10-year Capital Expenditure Framework must be adopted by respective councils by 31 May 2022 ● The adopted three-year capital programme and 10-year Capital Expenditure Framework must be submitted to the DCoG with council resolution no later than 10 days after adoption by council ● Municipalities that are already on the IUDG do not need to submit CEFs to DCoG annually unless they embarked on a process to review/ amend their CEF and 3-year Capital Programme in the prior year or advised by DCoG upon conducting a gap analysis on the existing CEF

Municipal Disaster Recovery Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To restore functionality of municipal infrastructure following a disaster
Grant purpose	<ul style="list-style-type: none"> To rehabilitate and reconstruct municipal infrastructure damaged by a disaster
Outcome statements	<ul style="list-style-type: none"> Municipal infrastructure damaged by a disaster rehabilitated and reconstructed
Outputs	<ul style="list-style-type: none"> Municipal infrastructure damaged by a disaster reconstructed and rehabilitated
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses the template/framework developed by the National Disaster Management Centre (NDMC) which must include a project implementation plan, highlighting: <ul style="list-style-type: none"> list of projects to be implemented in order of priority timeframes within which the projects will be implemented estimated costs of projects disaster risk reduction measures for the proposed reoccurrence of disaster related damage in the future number of households to benefit from the projects and estimated jobs to be created
Conditions	<ul style="list-style-type: none"> A business plan and project implementation plan signed by the Accounting Officer aligned to the post disaster verification assessment report must be submitted to the NDMC Disaster reconstruction and rehabilitation funds must only be utilised for approved projects as listed in the post disaster verification assessment reports and approved business plans Funds may only be utilised for approved projects within the KwaZulu-Natal province for the reconstruction and rehabilitation of infrastructure damaged by disaster incidents that occurred between October 2019 and January 2020 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) Annual performance evaluation report on financial and non-financial performance to be submitted to the NDMC through the relevant PDMC 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 Municipalities must spend at least 60 per cent of their previous transfers and comply with all grant conditions before subsequent tranches can be transferred
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated based on approved post-disaster reconstruction and rehabilitation assessment reports
Reason not incorporated in equitable share	<ul style="list-style-type: none"> This grant caters for recovery after unforeseen disasters
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> Not applicable <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> Not applicable
Projected life	<ul style="list-style-type: none"> This grant continues until 2023/24, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R26 million and 2023/24: R321 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of National Disaster Management Centre</p> <ul style="list-style-type: none"> Advise municipalities about the existence of the grant and its conditions Provide municipalities with a final post-disaster verification assessment report that includes a project list and projected costs for all infrastructure to be reconstructed or rehabilitated. This report must be provided through the relevant PDMC Monitor the implementation of projects together with the affected municipalities and provinces Make payments to municipalities in accordance with the approved payment schedule Transfer funds only when evidence on project performance and expenditure reports are submitted <p>Responsibilities of Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> Advise municipalities about the existence of the grant and its conditions Assist municipalities with the rapid assessment reports to be submitted to the NDMC Provide support to municipalities with regard to the final post-disaster verification report Ensure that the final post-disaster verification report is signed-off by both the accounting officer in the municipality and the provincial department Provide a copy of the final post-disaster verification report to municipalities 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 Conduct on-site visits to monitor and report on the implementation of projects and provide reports of progress to the NDMC 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 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

Municipal Disaster Recovery Grant	
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Develop and submit business plans incorporating implementation plans and disaster risk reduction measures for the proposed projects to prevent reoccurrence of disaster related damages in future • Activate municipal project task teams for implementation of approved disaster projects • Conduct on-site visits to monitor and evaluate the impact of projects and provide reports which include evidence to the NDMC through the relevant PDMC • Utilise the funds in line with the approved post-disaster verification assessment report • 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 an annexure • 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 2022 Division of Revenue Act), together with supporting documentation such as certificate of payment, pictures, invoices, etc • 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 2022 Division of Revenue Act), together with supporting documentation such as certificate of payment, pictures, invoices, etc
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Not applicable

Municipal Disaster Response Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> Schedule 7, Part B
Strategic goal	<ul style="list-style-type: none"> To enable timely response to address community needs regarding impending or disastrous events classified by the National Disaster Management Centre
Grant purpose	<ul style="list-style-type: none"> To provide for the immediate release of funds for disaster response subject to compliance with section 2 (1)(b) of the Disaster Management Act
Outcome statements	<ul style="list-style-type: none"> Immediate consequences of disasters are mitigated or alleviated
Outputs	<ul style="list-style-type: none"> Emergency repair of critical infrastructure Emergency provision of critical goods and services
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Applications for funding from this grant use the National Disaster Management Centre (NDMC) disaster grant guideline which includes the following: <ul style="list-style-type: none"> copy of the classification of disaster in terms of the Disaster Management Act 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) prevention and mitigation strategies as per the disaster management plan copy of the classification letter in terms of the Disaster Management Act and documentation linked to sections 56 and 57 of the same Act number of people, households, livestock and infrastructure affected and the extent of damages and losses sectors affected total funds required for disaster response and relief measures resources (both financial and in-kind) allocated by the municipality to respond and mitigate the effects of the disaster resources (both financial and in-kind) committed by other role players, including provinces, the private sector, national departments, state owned entities and non-government organisations cost-benefit analysis of the projects to be implemented An implementation plan with the following: <ul style="list-style-type: none"> details of the projects to be repaired including Global Positioning System (GPS) coordinates costs of the projects consolidated projects cash flow over six-month period as an annexure to the implementation plan 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) Specifics on the rapid response capacity to implement the projects and account for allocated funding
Conditions	<ul style="list-style-type: none"> 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 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 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 Funds may only be used in line with the approved implementation plan. Any amendments to the implementation plan must be supported and recommended by the PDMC and approved by the NDMC and copies of the approved amendments shared with National Treasury Funds from this grant must be utilised within six calendar months following the date of the transfer of the funds to the municipality A municipality may request through the PDMC, that the NDMC approve that an allocation be utilised more than six calendar months after the date of transfer in terms of section 25(3)(d) of the 2022 Division of Revenue Act. The approved amendments are to be shared with National Treasury 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 A copy of the contingency plan for the relevant hazard is to be submitted with the funding request
Allocation criteria	<ul style="list-style-type: none"> The grant is allocated for classified disasters, based on reports from assessments conducted by the NDMC and PDMC and affected sectors for immediate disaster response and relief needs. This should include implementation of 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 The Accounting Officer for the affected municipality must indicate in their application that the total funds required from the grant for disaster response and relief exceed the available resources and/or resources already allocated for disaster response and relief Funding may be released in tranches, with the first tranche being based on the rapid assessment and verification of the disaster relief needs. The next tranches will be released once proof is submitted that the first tranche has been fully spent or committed and all grant conditions have been met
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> 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

Municipal Disaster Response Grant	
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • R151 million has been allocated to 246 municipalities in the nine provinces for COVID-19 intervention measures <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • MDRG funds transferred to municipalities to provide funding for COVID-19 relief, was used for the procurement of: temporary sanitations; waste management decontamination of specific public spaces; personal protective equipment (PPE); and hygiene packs for hygiene promotion. This funding was disbursed as follows: <ul style="list-style-type: none"> ○ R43 million to Eastern Cape for 37 municipalities ○ R5 million for to Gauteng for 8 municipalities ○ R9 million to Free State for 22 municipalities ○ R47 million to KwaZulu-Natal for 53 municipalities ○ R15 million to Limpopo for 27 municipalities ○ R10 million to Mpumalanga for 17 municipalities ○ R3 million to Northern Cape for 31 municipalities ○ R11 million to North West for 22 municipalities ○ R8 million to Western Cape for 29 municipalities
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R371 million; 2023/24: R373 million and 2024/25: R389 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the National Disaster Management Centre</p> <ul style="list-style-type: none"> • Advise and guide municipalities and PDMCs about the existence of the grant and how grant funding can be applied for and the criteria to qualify for the grant • Verify the applications for funding as per the requirements of the Disaster Management Act and submit funding request to National Treasury for consideration within 14 days following the receipt of the assessment report and written funding request from the municipalities through the PDMCs and when all grant conditions have been met • Confirm what support the relevant national sector departments are providing and ensure there is no duplication of support • Notify the relevant municipality of a transfer at least three days before the transfer is made • Notify the relevant PDMC together with the relevant sector departments, National Treasury and the relevant provincial treasury of a transfer and reason for transfer within five days of the transfer of funds to municipalities • Provide National Treasury and the relevant provincial treasury with written notification of the transfer within 14 days of a transfer of this grant • Provide expenditure reports to National Treasury in line with the 2022 Division of Revenue Act and the Public Finance Management Act (PFMA) within 20 days after the end of each month • Provide a performance report to National Treasury in the disaster allocation monitoring template agreed to with the National Treasury within 45 days after the end of the quarter in which funds are spent, with invoices and certificate of payments as annexures to the report • Together with the relevant PDMC monitor the implementation of disaster response and relief projects <p>Responsibilities of the Provincial Disaster Management Centres</p> <ul style="list-style-type: none"> • Together with the affected municipalities and the relevant sector departments, conduct rapid assessments to verify the impact of the disaster within 14 days following the occurrence of the incident and compliance to all grant conditions • Verify the applications for funding following the occurrence of the disaster as per the requirements of the Disaster Management Act • Confirm what support provincial sector departments are providing and ensure there is no duplication of support • Assist municipalities with requests for disaster funding and sign-off the submitted funding application by the municipality, and monitor projects to ensure that the funds are used for intended purposes and provide reports to the NDMC and relevant provincial treasury • Coordinate, analyse and submit expenditure reports signed-off by the head of the PDMC on progress regarding the implementation of the projects to NDMC within 15 days after the end of each month in which funds are spent, with invoices and certificate of payments as annexures to the reports • Coordinate, analyse and submit performance reports signed-off by the Head of the PDMC, which include evidence, on progress with implementation of the projects to the NDMC within 35 days after the end of the quarter in which funds are spent • The PDMC should activate a project task team comprising of affected municipalities and sector departments • Monitor the implementation of disaster funds and related projects <p>Responsibilities of the municipalities</p> <ul style="list-style-type: none"> • Cooperate with the NDMC, relevant PDMC and provincial and national sector departments to conduct damage assessment and cost verification • Submit disaster assessment reports and funding requests signed-off by the Accounting Officer to the PDMC within 14 days following the classification of a disaster • Municipalities must invoke emergency procurement processes provided for within the Treasury Regulations when spending the funds allocated, to ensure immediate assistance to the affected areas and must provide proof that measures were put in place to mitigate the occurrence in the form of a contingency plan for the specific hazard

Municipal Disaster Response Grant	
	<ul style="list-style-type: none"> • Municipalities must implement all projects approved and ensure that the funds allocated are spent for their intended purposes • Activate project task teams during the implementation of disaster projects at a municipal level • Submit expenditure reports signed-off by the Accounting Officer which include evidence such as certificate of 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 • 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
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Not applicable

Municipal Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B and Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> Subsidise the capital costs of providing basic services to poor households Subsidise the development of asset management plans for infrastructure servicing poor households
Grant purpose	<ul style="list-style-type: none"> To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities To provide specific funding for the development of asset management plans for infrastructure servicing the poor
Outcome statements	<ul style="list-style-type: none"> Improved access to basic services infrastructure for poor communities, through the use of labour-intensive construction (LIC) methods where it is technically feasible Improved reliability of basic services infrastructure for poor communities
Outputs	<ul style="list-style-type: none"> Number of poor households impacted through the construction of new infrastructure and the upgrading and renewal of existing infrastructure for: <ul style="list-style-type: none"> basic water and sanitation services central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites sport and recreation facilities street and community lighting public facilities Number of poor households impacted through the urgent repairs and refurbishment of water, sanitation and solid waste management existing infrastructure Number of kilometres of municipal roads developed, upgraded and maintained servicing the poor Number of specialised vehicles for waste management (as referenced in annexures A and B of the norms and standards for specialised waste vehicles) purchased for servicing the poor Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs Number of Infrastructure Asset Management Plans developed <p>Response to the COVID-19 pandemic</p> <ul style="list-style-type: none"> Amount spent by a municipality on urgent repairs and refurbishment of water and sanitation infrastructure to restore functionality Amount spent by a municipality for sanitisation of public transport facilities and other municipal public facilities that include temperature scanners, hand washing facilities, hand sanitisers (as per the standard determined by the Department of Health), personal protective equipment for municipal and public transport workers and provisions for physical distancing Number of municipal-owned facilities identified for quarantine sites that are repaired (limited to repairs to existing facilities, not modifications and operational costs)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses the Municipal Infrastructure Grant (MIG) registration form for both Schedule 5, Part B and 6, Part B as agreed with sector departments, which includes: <ul style="list-style-type: none"> project title sector timeframes for implementation 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) cost of the project LIC component of the project, with targets and processes to be used
Conditions	<p>Schedule 5, Part B</p> <ul style="list-style-type: none"> To receive the first tranche, municipalities must have followed the process for approval of 2022/23 projects and have confirmed by 29 April 2022 with DCoG, their programme, project planning and implementation readiness in the form of a council approved implementation plan that includes cash flow projections Municipal allocations must be fully committed to registered projects prior to the year of implementation and be informed by the Integrated Development Plans (IDPs) and three-year capital plans which are aligned to the relevant One Plan of districts areas developed under the District Development Model MIG priorities set by municipalities (as stated in their MIG implementation plans) can only be changed in-year with other MIG registered projects, after municipal council approval and confirmation that the projects will be awarded and implemented in the same year Projects not implemented within three years of approval by the relevant appraisal committee will be deregistered by MIG Appraisal Committees Stalled projects where MIG funds have already been spent and not completed should be prioritised for implementation before any new projects are considered for registration, provided the municipality is not fully committed for the MTEF period Stalled projects can only be deregistered on confirmation that they are functional and benefiting the intended beneficiaries as per the project registration and within approved itemised cost MIG must be allocated and transferred directly to a category B or C municipality that has the powers and functions for basic services referred to in section 84 of the Municipal Structures Act, to enable the municipality to provide basic municipal infrastructure to the poor, in line with their functions Municipalities must prioritise MIG funds for infrastructure that services eligible beneficiaries, such as:

Municipal Infrastructure Grant	
	<ul style="list-style-type: none"> ○ basic residential infrastructure for the poor for water, sanitation, roads and stormwater, waste management, street lighting and community facilities ○ new or upgrading of municipal bulk infrastructure to support existing areas, the formalisation of informal settlements and to support economic development ○ renewal of eligible infrastructure servicing the poor subject to the confirmation by the relevant sector department of the state of infrastructure and a commitment from the municipality of how on-going operations and maintenance of the renewed infrastructure will be funded and performed ○ maintenance of roads infrastructure mainly servicing the poor ○ specialised waste management vehicles servicing the poor ● Municipalities must spend at least 60 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred ● By 30 December 2022, municipalities must spend: <ul style="list-style-type: none"> ○ at least 40 per cent of their total MIG allocation, where allocations are equal or less than R100 million ○ at least 45 per cent of their total MIG allocation, where allocations are more than R100 million ● Municipalities must comply with sector norms, standards and legislation as confirmed by sectors during the MIG project registration processes ● Local municipalities investing in roads infrastructure must utilise data from the Rural Road Asset Management System (RRAMS) where available, to identify and prioritise their investment on roads projects ● MIG funds can be used for road maintenance only if projects are planned and prioritised using RRAMS data ● Ring-fenced sport infrastructure allocation: <ul style="list-style-type: none"> ○ municipalities that have allocations gazetted as part of the ring-fenced allocation for specific sport infrastructure projects may only spend these allocations on the projects identified by the Department of Sport, Arts and Culture (DSAC) ○ initial transfers of funds from the ring-fenced sport infrastructure allocation to identified projects will be subject to signing of a memorandum of understanding between DSAC and the beneficiary municipalities ○ subsequent transfers for projects funded through the ring-fenced amount will also be subject to approval by DSAC ● Sport infrastructure as part of the P-component: <ul style="list-style-type: none"> ○ municipalities must submit technical reports for spending 33 per cent of their P-component allocation on sport and recreation infrastructure projects ○ all sport infrastructure plans and technical reports must be submitted as part of the normal MIG planning process but will be reviewed and approved by DSAC to ensure they comply with norms and standards before construction can begin ● Municipalities must ensure compliance to EPWP infrastructure guidelines in aligning their projects and reporting the work opportunities created on the EPWP reporting system ● Municipalities must ensure that a minimum of 20 per cent of their budget applies LIC methods and complies to EPWP infrastructure guidelines as part of the feasibility phase of the project ● Municipalities using MIG funding to purchase specialised vehicles for waste management must complete a technical assessment report (TAR) which must comply with the norms and standards for specialised waste management vehicles. The TAR must demonstrate that MIG funds will only be used for the expansion of waste management services to poor households not previously serviced. The purchase will only be done through the National Treasury's transversal contract RT57 and the TAR must include a recommendation from the Provincial Department Forestry, Fisheries and the Environment (DFFE) and a final recommendation from the National DFFE before being appraised for registration. Vehicles may not be purchased with MIG funds for other purposes ● A municipality must consider procuring goods and services for water and sanitation projects through nationally set up framework contracts, where available, before utilising municipal procurement processes ● Municipalities must submit monthly and quarterly reports in the prescribed national template and signed-off by the municipal manager or delegated official ● Municipalities must utilise the Municipal Infrastructure Grant Management Information System (MIG-MIS) to facilitate programme and project management and reporting ● The cost for the Project Management Unit (PMU) does not exceed 5 per cent of a municipality's MIG allocation and may be used for programme/project management costs related to all Schedule 5, Part B grant-funded projects and only if a business plan for the PMU is approved by 29 April 2022. If these funds are not committed for this purpose or spent for this purpose they must revert back for MIG capital projects ● At least 95 per cent of municipalities' allocation must be used on eligible MIG funded projects, including maintenance on roads mainly servicing the poor ● A maximum of 5 per cent of a municipality's allocation may, subject to submitting a business plan for approval by DCoG, be used to fund activities related to the development of an Infrastructure Asset Management Plan. The business plan must be: <ul style="list-style-type: none"> ○ recommended by the relevant sector department ○ accompanied by an Excel copy of the municipality's audited asset register ○ submitted by 31 March 2022 ● To respond to the COVID-19 pandemic: <ul style="list-style-type: none"> ○ municipalities must prioritise the provision of water and sanitation to communities that do not currently have access to water services ○ municipalities that have non-compliance pre-directives or directives with the Department of Water and Sanitation may spend up to 10 per cent of their allocations for the urgent repair and refurbishment of water and sanitation infrastructure to restore functionality

Municipal Infrastructure Grant	
	<ul style="list-style-type: none"> ○ non-water services authorities may request approval from the transferring officer to spend on water and sanitation projects, on presentation of the signed service level agreements with the relevant water services authorities ○ municipalities may use up to 10 per cent of their allocations for the sanitisation of public transport facilities and other municipal public facilities including the provision of temperature scanners, hand washing facilities, hand sanitisers (as per the standard determined by the Department of Health), personal protective equipment for municipal and public transport workers and provisions for physical distancing; and to repair municipal-owned infrastructure identified for quarantine sites (limited to repairs to existing facilities, not modifications and operational costs) ○ municipalities must register projects on the MIG-MIS within the required timeframes for MIG projects and must report on how these funds are spent through the MIG-MIS. DCoG may approve that amounts above the 10 per cent threshold be used for these activities based on the municipality's motivation and its progress on committed projects <ul style="list-style-type: none"> • Rustenburg and George local municipalities should not use the sanitisation provision for the sanitisation of public transport facilities as they are funded for this in the Public Transport Network Grant • Municipalities must report on the use of funds for the COVID-19 response in line with the requirements of section 12 of the Division of Revenue Act <p>Schedule 6, Part B</p> <ul style="list-style-type: none"> • DCoG will assess municipalities on the following criteria by February 2022: <ul style="list-style-type: none"> ○ Municipalities with the Department of Water and Sanitation and DFFE directives/non-compliance on the poor state of water, sanitation and solid waste management infrastructure ○ actual expenditure reported by municipalities on repairs and maintenance from the previous financial year is lower than 1 per cent of the value of the municipality's Property, Plant and Equipment (PPE) ○ 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 ○ low MIG expenditure performance over the last four municipal financial years (spent on average 70 per cent and less against the originally annually allocated MIG (before adjustments) over the last four years (2017/18 – 2020/21) as well as the expenditure performance of the 2021/22 allocation as at the end of December 2021 – see thresholds for Schedule 5, Part B above) • DCoG will notify relevant municipalities by March 2022 on the analysis results, DCoG and relevant municipalities must enter into a memorandum of understanding and agree on a capacity building plan before any project is implemented • DCoG to prepare an implementation plan based on the converted funding specifying the agreed projects to be implemented per municipality by 29 April 2022. The affected municipalities will align their 2022/23 implementation plans in line with their converted 2022/23 MIG allocations to be submitted to DCoG by 29 April 2022 • DCoG may use indirect MIG allocations to fund the urgent repairs and refurbishment of water, sanitation and solid waste management infrastructure • DCoG will make payments to contracted implementing agents based on invoices for work done
Allocation criteria	<ul style="list-style-type: none"> • Part 5 of Annexure W1 to the 2022 Division of Revenue Bill sets out the MIG formula in detail, showing how the formula incorporates backlog and poverty data • The funds ring-fenced for sport infrastructure are allocated based on estimated costs of projects that: <ul style="list-style-type: none"> ○ fill identified gaps and are confirmed with the provincial departments responsible for sport and the municipalities ○ align to the National Sport and Recreation Plan, National Sport Facilities Plan and transformation imperatives ○ align to priority sport codes
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • The MIG programme was allocated R14.5 billion in the 2020/21 financial year. The full amount was transferred and 91 per cent of this was reported as spent by municipalities <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for: <ul style="list-style-type: none"> ○ 53 469 households provided with basic water and 43 979 households provided with sanitation services ○ 79 671 households provided with street and community lighting • Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure): <ul style="list-style-type: none"> ○ 11 central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites developed ○ 17 sport and recreation facilities developed ○ 44 public facilities developed ○ 1 474 kilometres of municipal roads developed • 152 838 FTEs created using the EPWP guidelines for the above outputs
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R16.8 billion; 2023/24: R17.6 billion and 2024/25: R18.4 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment Schedule approved by National Treasury

Municipal Infrastructure Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national departments</p> <ul style="list-style-type: none"> • DCoG administers the MIG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must: <ul style="list-style-type: none"> ○ report to sector departments on outputs ○ monitor expenditure and non-financial performance in collaboration with provincial DCoGs ○ coordinate overall programme implementation ○ provide support to municipalities in the utilisation of the MIG-MIS ○ share all reports on COVID-19 expenditure with the National Disaster Management Centre and report separately on COVID-19 expenditure in its reports submitted in terms of the requirements of section 10 of the 2022 Division of Revenue Act (DoRA) • For Schedule 6, Part B allocations, DCoG must: <ul style="list-style-type: none"> ○ 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 ○ provide to National Treasury, detailed information on the selection criteria, and evidence of the approved capacity building plan ○ ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates ○ make payments to contracted Municipal Infrastructure Support Agent (MISA) based on invoices for work done • MISA must: <ul style="list-style-type: none"> ○ provide technical support and advice to municipalities that have been identified collaboratively with DCoG and its provincial counterparts as needing assistance ○ on behalf of and in collaboration with national and provincial DCoG's, conduct detailed municipal assessments of the municipalities identified for assistance, including investigative lifecycle assessments of MIG projects, municipal MIG and sector performance, and municipal project management functions, to identify detailed reasons for challenges affecting the implementation of MIG ○ report all findings and recommendations for improvement to the identified municipalities, national and provincial DCoGs ○ assist the municipal manager of each identified municipality, in collaboration with appropriate structures, including sector departments, to implement recommendations identified by MISA, for improvement, and supply formal progress reports ○ recommendations may include improvements to municipal processes for planning, project prioritisation and selection. Recommendations may also include detailed planning, scoping, designing, scheduling, costing and procurement implementation ○ provide and facilitate assistance, technical advice and expertise to identified municipalities for the use of alternative technology and good practices for MIG projects, including for feasibility studies, operations and maintenance and integrated infrastructure asset management ○ partake in the assessment of the business plans for the asset management planning provision and make recommendations to the transferring officer ○ support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B • In addition to their sector-specific responsibilities, each national sector department will be expected to: <ul style="list-style-type: none"> ○ provide information on service delivery priorities per municipality as expressed within sectoral plans and municipal IDPs ○ fulfil a sectoral monitoring and guidance role on relevant sectoral outputs ○ evaluate reports and provide final recommendations to the municipality by 30 September 2022 ○ 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 ○ confirm the current state of maintenance where municipalities have applied for funding of renewal projects ○ advise which sphere (provincial or national - even if different across provinces) should sign-off MIG projects and participate in MIG workflow processes ○ sign-off on project close-out reports, thereby acknowledging the projects have been completed as intended • Department of Water and Sanitation must: <ul style="list-style-type: none"> ○ support and monitor municipalities to prepare and implement water services development plans ○ ensure alignment between the MIG programme, Regional Bulk Infrastructure Grant and the Water Services Infrastructure Grant ○ for the MIG funding stream, monitor and oversee progress on water and sanitation projects implemented through the MIG ○ support the process of the development of water and sanitation infrastructure asset management plans and the updating and verification of asset registers ○ support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B • Department of Forestry, Fisheries and the Environment (DFFE): <ul style="list-style-type: none"> ○ must support municipalities with planning and implementation of solid waste management projects and monitor their performance and compliance with conditions applicable to this sector ○ the provincial DFFE will be responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles and national DFFE will provide final recommendation before submitting projects for registration in the MIG appraisal process ○ support the process of the development of waste management infrastructure asset management plans and the updating and verification of asset registers

Municipal Infrastructure Grant	
	<ul style="list-style-type: none"> ○ support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B • Department of Mineral Resources and Energy must: <ul style="list-style-type: none"> ○ support municipalities with planning and implementation of public lighting and monitor municipalities' performance and compliance with conditions applicable to this sector ○ support the process of the development of electricity community infrastructure asset management plans and the updating and verification of asset registers • Department of Transport must support municipalities with planning and implementation of municipal roads projects in terms of the RRAMS data and monitor municipalities' performance and compliance with conditions applicable to this sector • Department of Sport, Arts and Culture must: <ul style="list-style-type: none"> ○ identify projects with targeted municipalities to be allocated funds outside of the MIG formula by September 2022 ○ support municipalities with planning and implementation of municipal sport and recreation facilities and monitor municipalities' performance and compliance with conditions applicable to this sector ○ review, approve and sign-off all MIG projects before recommendation by the provincial sport departments to the MIG appraisal committee ○ support the process of the development of sport infrastructure asset management plans and the updating and verification of asset registers • Department of Public Works and Infrastructure must: <ul style="list-style-type: none"> ○ monitor compliance with the EPWP infrastructure guidelines and advise municipalities on the use of labour-intensive processes, systems, techniques and approaches ○ monitor the number of work opportunities and FTEs created on MIG funded projects that contribute towards EPWP and assist municipalities in meeting their set targets ○ ensure that municipalities register their projects on the EPWP reporting system and monitor compliance with norms and standards applicable to this sector
	<p>Responsibilities of provincial departments</p> <ul style="list-style-type: none"> • Coordinate technical support to municipalities • Monitor performance of municipal Programme/Project Management Units and recommend relevant sanctions for under-performance to DCoG • Provide assistance to municipalities in managing municipal infrastructure projects • Provide support to municipalities in the utilisation of the MIG-MIS • Provide support to municipalities with the development of Infrastructure Asset Management Plans • Monitor and reconcile reported expenditure with proof of payment signed-off by the municipality • Monitor the accuracy of project registration forms and coordinate monthly, quarterly and annual reports from municipalities and forward them to DCoG • Coordinate district appraisal and progress committee meetings ensuring that DCoG and relevant sector departments are invited • Issue registration letters for projects approved by the district appraisal committees to municipalities, copying DCoG • Monitor project implementation in collaboration with sectors coordinate project spot checks with relevant stakeholders and compile relevant spot check reports • Monitor the capturing of site visit reports by municipalities on the MIG-MIS • Monitor compliance with provincial legislation and alignment to provincial growth and development strategies through project registration
	<p>Responsibilities of provincial sector departments</p> <ul style="list-style-type: none"> • Each provincial sector department must fulfil a sectoral monitoring and guidance role on relevant sectoral outputs • Provide technical advice as required by a municipality through the feasibility, planning, design, tender and construction phases of a MIG project • Provide support to municipalities with the development of Infrastructure Asset Management Plans • Participate in district appraisal and progress committee meetings • Evaluate and provide recommendations on sector technical reports before projects are appraised • Provincial departments of environment, forestry and fisheries are responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles and the national DFFE must provide final approval before submitting projects for registration in the MIG appraisal process
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and this must be informed by the IDP and three-year capital programme • Municipalities must certify compliance to the provision of the 2022 DoRA after the Schedule of transfers has been communicated by DCoG and before the first transfer is made to the municipality by DCoG • Municipalities must have appropriate capacity to implement the MIG, this must be supported by the human resource plan of the municipality • Municipalities must monitor each project and ensure that MIG funds are spent for the intended purpose as registered on the MIG-MIS • The municipality must 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

Municipal Infrastructure Grant	
	<ul style="list-style-type: none"> • Compulsory use of the MIG-MIS to inform the content of the reports mentioned above • Municipalities must capture project site visit reports as part of the portfolio of evidence to support claims
Process for approval of 2023/24 business plans	<p>Schedule 5, Part B</p> <ul style="list-style-type: none"> • Municipalities must submit all technical reports to the sector departments responsible for water, sanitation, solid waste, sport and recreation, roads and transport by 29 July 2022 for all projects to be implemented in 2023/24 • The responsible sector department must evaluate reports and provide final recommendations to the municipality by 30 September 2022 • When projects are registered for 2023/24, the municipality must identify how each MIG infrastructure project is aligned to and/or supports their local economic development strategy • The municipality must submit all project registration forms by 30 September 2022, for the projects to be implemented in 2023/24, to the provincial department responsible for local government • The provincial departments must provide final recommendations to municipalities by 30 November 2022 • Municipalities must submit to DCoG by 30 January 2023, detailed project implementation plans for all the projects to be implemented in the 2023/24 and 2024/25 financial years • Such plans should include timelines regarding project designs, initiation of procurement, and environmental impact assessment (EIA) and/or relevant permit/license approvals in the prescribed format • Municipalities must submit updated implementation plans (as described above) by 28 April 2023, justifying any changes from the 30 January 2023 submission • MISA must sign-off on technical and/or business plan reports [before submission to sector departments or Acquisition Committees], thereby acknowledging the appropriate use of alternative technology and good practices for MIG projects, including for feasibility studies, labour-intensive construction, operations and maintenance and integrated infrastructure asset management <p>Schedule 6, Part B</p> <ul style="list-style-type: none"> • DCoG will engage with identified municipalities by February 2023 for possible conversion of their 2023/24 MIG allocations to a Schedule 6, Part B after applying the following criteria: <ul style="list-style-type: none"> ○ Municipalities with DWS and DFFE directives/ non-compliance on the poor state of water, sanitation and solid waste management infrastructure ○ actual expenditure reported by municipalities on repairs and maintenance from the previous financial year is lower than 1 per cent of the value of the municipality's Property, Plant and Equipment (PPE) ○ 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 ○ low MIG expenditure performance over the last four municipal financial years (spent on average 70% and less against the originally annually allocated MIG (before adjustments) over the last four years (2018/19 – 2021/22) as well as the expenditure performance of the 2022/23 allocation as at the end of December 2022 – see thresholds for Schedule 5, Part B above) • DCoG will notify affected municipalities by March 2023 on the analysis results, DCoG and relevant municipalities and must enter into a memorandum of understanding and/or support plan before any project is implemented • DCoG to prepare an implementation plan based on the converted funding specifying the agreed projects to be implemented per municipality by April 2023. The affected municipalities will align their 2022/23 implementation plans in line with their converted 2023/24 MIG allocations to be submitted to DCoG by 28 April 2022

Municipal Systems Improvement Grant	
Transferring department	<ul style="list-style-type: none"> • Cooperative Governance (Vote 3)
Grant schedule	<ul style="list-style-type: none"> • Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> • An efficient and developmental sphere of government capable of delivering services to local communities
Grant purpose	<ul style="list-style-type: none"> • To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related local government legislation
Outcome statements	<ul style="list-style-type: none"> • A responsive, accountable, effective and efficient local government
Outputs	<ul style="list-style-type: none"> • Support municipalities on governance and institutional matters through the District Development Model (DDM) approach, with District Hubs as central points of integration and coordination of support and capacity building interventions including amongst others, support on the following outputs: development of comprehensive institutional diagnostic analysis/assessments to determine skills, systems, performance, institutional gaps and main constraints impeding effectiveness and sound municipal performance development of institutional improvement plans guiding all capacity building grants and municipal support initiative • Support municipalities in the improvement of their records management and Information and Communications Technology (ICT) infrastructure • Support municipalities to promote 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 • Support to municipalities Human Resource and Organisational Development as well as Disciplinary Management Support • Support to municipalities through the rollout of prototype staff establishment project • Support municipalities in the rollout of training on municipal staff regulations • Support municipalities in the preparation of an institutional recovery plan and the implementation thereof, where appropriate (including assisting municipalities to review and prepare: organograms, policies and by-laws) • Support municipalities to build confidence in their recruitment and selection systems by strengthening assessment mechanisms such as competencies, exams, group exercises • Assess and evaluate the readiness in terms of adoption and implementation of the Smart Cities Framework at the selected municipalities and develop a Support Program for Smart City Initiatives as per the Smart Cities Framework • Support municipalities on cost of supply studies for water and electricity (municipal tariff data management) and related matters • Support municipalities in the improvement of their data management
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses a support plan. The support plan has an appendix or annexure which details: <ul style="list-style-type: none"> ○ roles and responsibilities ○ outcome indicators ○ output indicators ○ key activities ○ inputs ○ details of how the systems and practices developed will be sustained over the long-term
Conditions	<ul style="list-style-type: none"> • The Department of Cooperative Governance and the benefitting municipality must enter into a support plan with an annexure that must include details of the activities and deliverables being funded, responsibilities of each stakeholder, protocols for engagements and feedback, the budget for each activity, and timeframes for implementation • Funds from this grant may be spent on building the capacity of municipalities with respect to the purpose and outputs listed for this grant • ICT infrastructure bought with this grant must be compatible with the minimum standards for the municipal Standard Chart of Accounts (mSCOA) • Technical support to municipalities must include the transfer of skills to municipal officials
Allocation criteria	<ul style="list-style-type: none"> • Priority is given to the local municipalities in the 21 Water Service Authority (WSA) districts and these districts in 2022/23 • Priority is given to municipalities with challenges/shortcomings in processes, procedures and systems to effectively implement the Municipal Systems Act and related local government legislation including municipalities with governance and institutional challenges • Municipalities identified for support in 2020/21 on municipal tariff data management and related matters, improvement of their data management, records management and ICT infrastructure and training on staffing regulations and competency frameworks are targeted in 2022/23 • Other outputs may be funded through reallocations in-year and over the MTEF period • Intermediate cities are targeted for programmes in support of the Integrated Urban Development Framework • Unallocated funds in 2022/23, 2023/24 and 2024/25 will be allocated to projects during 2022, including to some municipalities not reached in 2021/22 • Funds may be reallocated if the support plan is not signed by the municipal manager(s)

Municipal Systems Improvement Grant	
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The grant is aimed at building the capacity of targeted municipalities to implement sound institutional and governance systems required in terms of the Municipal Systems Act and related local government legislation
Past performance	2020/21 audited financial outcomes <ul style="list-style-type: none"> The grant was allocated R120 million, of which R28 million (23 per cent) was spent by the end of the financial year
	2020/21 service delivery performance <ul style="list-style-type: none"> R28 million was spent over the year ending March 2021 through the District Development Model (DDM) approach in respect of the costs associated with the eThekweni Metropolitan District Hub, OR Tambo District Hub and Waterberg District Hub
Projected life	<ul style="list-style-type: none"> This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R140 million; 2023/24: R147 million and 2024/25: R153 million
Payment schedule	<ul style="list-style-type: none"> Schedule 6 grant, payments to the service provider made in accordance with the signed service level agreement, implementation plan and project milestones or deliverables
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> Agree and sign municipal support plans with participating municipalities Management, monitoring and reporting of the programme Coordinate with the National Treasury to ensure that the capacity building activities of the two departments are complimentary Participate in the review of the municipal capacity support system during 2022/23
	Responsibilities of municipalities <ul style="list-style-type: none"> Agree and sign a memorandum of understanding with the transferring officer Identify municipal officials that will be recipients of skills transfer Ensure that municipal officials participate actively in all activities funded through this grant Ensure systems and practices developed through this grant are sustained as part of the operations of the municipality Municipalities must submit a detailed report upon the completion of the project, in the format prescribed
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Targeted municipalities must sign a municipal support plan in support of this Municipal Systems Improvement Grant programme

MINERAL RESOURCES AND ENERGY GRANTS

Energy Efficiency and Demand-Side Management Grant	
Transferring department	<ul style="list-style-type: none"> Mineral Resources and Energy (Vote 34)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To reduce electricity consumption by promoting energy efficient practices
Grant purpose	<ul style="list-style-type: none"> To provide subsidies to municipalities to implement energy efficiency and demand-side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency
Outcome statements	<ul style="list-style-type: none"> Reduced demand for electricity Increased awareness of energy saving Skills development in energy efficiency Energy management capability enhanced
Outputs	<ul style="list-style-type: none"> Amount of electricity saved in kilowatt hours (KWh) Number of energy efficient street lights installed Number of energy efficient traffic lights installed Number of buildings retrofitted Number of units of water services infrastructure retrofitted
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Projected energy savings Key activities Inputs
Conditions	<ul style="list-style-type: none"> Funds can only be used to implement electricity-saving projects in municipal infrastructure The focus for implementation of energy efficiency interventions is limited to municipal buildings, streetlights, traffic lights, wastewater treatment works and pump stations Municipalities must determine a detailed and extended electricity consumption baseline in line with South African Standards (SANS 5002 and SANS 50010) Municipalities must respond to the request for proposals issued by the Department of Mineral Resources and Energy (DMRE) in the format provided Municipalities must commit to energy savings (in KWh) to be achieved through the retrofits to the DMRE A performance agreement with specific conditions shall be entered into between the municipality and the DMRE The municipality shall prepare a project work plan and business plan in the templates provided by the DMRE The municipality shall procure the streetlight luminaires as per the standardised technical specifications developed by the transferring officer A municipality may apply to the transferring officer, by no later than 29 July 2022 to utilise a maximum of 15 per cent of the total annual allocation to undertake specified planning activities to embed the Vertically Nationally Appropriated Mitigation Action (V-NAMA) project, provided that these conform to the list of eligible activities identified by the transferring officer, including: <ul style="list-style-type: none"> investment pipeline development (excluding direct project preparation) development of infrastructure financing strategies and instruments utilisation of a minimum of 50 per cent capital expenditure as co-funding for the Vertically Nationally Appropriated Mitigation Action projects
Allocation criteria	<ul style="list-style-type: none"> The following criteria are used for selecting municipalities to receive allocations from the grant: <ul style="list-style-type: none"> municipalities that have responded to the request for proposals as issued by the DMRE municipalities with higher electricity consumption and higher electricity saving potential municipalities with clearly defined objectives on energy efficiency improvements proposals that use proven energy efficient technologies with low pay-back periods municipalities that are participating in the Vertically Nationally Appropriated Mitigation Action Support Project (V-NAMA) and SA-EU General Support Programme municipalities that show readiness and capacity to implement EEDSM projects good past performance if a municipality has previously participated in the programme quality, viability and financial feasibility of proposed projects
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This is a specific conditional transfer in support of the EEDSM programme
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> R221 million was allocated and transferred to participating municipalities <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> A total electricity saving of 17 873 MWh per annum was reported by municipalities against the total projected electricity consumption baseline of 19 426 MWh per annum
Projected life	<ul style="list-style-type: none"> This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R223 million; 2023/24: R224 million and 2024/25: R243 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by the National Treasury

Energy Efficiency and Demand-Side Management Grant	
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Monitoring and evaluation of the EEDSM programme including measurement and verification of energy savings • Make available to municipalities, the lighting technology technical specifications guideline and support them through capacity building workshops on best practices and pricing for EEDSM projects • Communicate to municipalities the process and requirements for obtaining EEDSM grant funds in 2023/24 • Develop a fair and open process to accredit and establish a panel of competent service providers with technical expertise and suppliers of energy efficient technology to support municipalities during the implementation of EEDSM projects • Provide technical support to municipalities participating in the Vertically Nationally Appropriated Mitigation Action Support Project of South Africa <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Submit proposals as per the request for proposals issued by DMRE • Ensure that proposals are in the format and template provided by DMRE • Implement the EEDSM programme as per the framework and contractual agreement • In the implementation of EEDSM projects, use service providers and/or energy efficient technology suppliers accredited by DMRE • Submit to the DMRE detailed energy consumption baseline data and a business plan signed by the municipal manager before the start of the 2022/23 municipal financial year • Submit to the DMRE the monthly and quarterly reports approved by the municipal manager • In a case where a municipality delegates the implementation of the programme to its entity (i.e. Johannesburg City Power, Mangaung CENTLEC, etc.) such an entity shall enter into an implementation contract with the municipality for the purposes of reporting and accountability. A copy of this implementation contract must be shared with DMRE
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Proposals must be submitted by 15 September 2022 and shall be evaluated against the criteria set out in this framework and the request for proposals issued by DMRE

Integrated National Electrification Programme (Eskom) Grant	
Transferring department	<ul style="list-style-type: none"> Mineral Resources and Energy (Vote 34)
Grant schedule	<ul style="list-style-type: none"> Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> To reduce electrification backlogs through funding of household connections and bulk infrastructure (substations and medium voltage lines) to ensure constant supply of electricity
Grant purpose	<ul style="list-style-type: none"> To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of all existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure in Eskom licenced areas
Outcome statements	<ul style="list-style-type: none"> A reduction in household electrification backlogs Universal access to electricity and improvement in distribution infrastructure reliability
Outputs	<ul style="list-style-type: none"> The number of household connections per annum The number of substations completed Kilometres of medium voltage lines completed Implementation of labour-intensive delivery methods, in compliance with the Expanded Public Works Programme (EPWP) guidelines on electrification projects and the work opportunities created
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Inputs Output indicators Key activities
Conditions	<ul style="list-style-type: none"> Plans need to have undergone pre-engineering and project feasibility and be approved by the Director-General of the Department of Mineral Resources and Energy (DMRE) prior to implementation Projects must be prioritised by municipalities in their Integrated Development Plans (IDPs) before being approved for INEP (Eskom) Grant funding 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 Eskom to comply with the DMRE's requirements to provide approved bulk projects in their business plans Eskom must spend at least 50 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred By 30 December 2022, Eskom must spend at least 60 per cent of their total INEP allocation, where allocations are equal or less than R3.6 billion All assets constructed through this grant must be ring-fenced on Eskom's asset register as government assets. Eskom is responsible for the operations and maintenance of these assets Eskom must adhere to labour-intensive construction methods in terms of the EPWP guidelines for activities such as trenching and planting of poles including the promotion of companies owned by Vulnerable Groups
Allocation criteria	<ul style="list-style-type: none"> 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"> high backlogs rural bias integration with other programmes such as 44 priority district municipalities, the National Development Plan and other infrastructure programmes like catalytic projects and mining towns the cost of a project is within benchmarked norms and standards the project is aligned with the IDP for a particular municipality
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This is a specific conditional capital transfer for electrification of households and bulk infrastructure
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> The grant was allocated R2 billion and the entire amount was transferred to Eskom, of which R1.3 billion (64 per cent) was spent by the end of the financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> 106 669 connections were completed at the end of the financial year (includes connections funded from roll-overs)
Projected life	<ul style="list-style-type: none"> This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R3.6 billion; 2023/24: R3.8 billion and 2024/25: R4 billion
Payment schedule	<ul style="list-style-type: none"> Payments are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Review and approve Eskom's outputs and targets Continuously monitor implementation Provide central coordination for bulk infrastructure Approve submissions for refurbishment of critical infrastructure

Integrated National Electrification Programme (Eskom) Grant	
	<p>Responsibilities of Eskom</p> <ul style="list-style-type: none"> • The maximum size of supply is 2.4 kVA, after diversity maximum demand, 20 Amp per household connection, in line with the Suite of Supply Policy (2018) • Implement INEP according to the approved implementation guidelines • Report to the DMRE and the National Treasury on monthly and quarterly progress on financial and non-financial performance of the grant • Report accurately and timeously on EPWP information
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Eskom and the DMRE must ensure that all planned projects are in line with municipal IDPs and priority lists • Eskom and the DMRE must ensure that planned projects are feasible and have gone through the pre-engineering process by 31 October 2022

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

Integrated National Electrification Programme (Municipal) Grant	
Past performance	2020/21 audited financial outcomes
	<ul style="list-style-type: none"> • R1.3 billion was allocated and transferred to municipalities
	2020/21 service delivery performance
	<ul style="list-style-type: none"> • 60 219 households were connected including connections funded from roll-overs
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R2.1 billion; 2023/24: R2.2 billion and 2024/25: R2.3 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department
	<ul style="list-style-type: none"> • Agree with municipalities on outputs and targets • Continuously monitor implementation and provide support to municipalities • Verify reports from municipalities • Ensure that the payment schedule is aligned to the timelines for projected expenditure on each project
	Responsibilities of municipalities
	<ul style="list-style-type: none"> • Ensure that projects are implemented in line with what is reflected in the IDP of the municipality • Report accurately and timeously on the management of this grant and include invoices and EPWP information on their monthly reports, when reporting to the DMRE • Appoint service providers during the first quarter of the municipality financial year (July-September 2022) to implement their projects • Maintain and operate electricity infrastructure in line with licence conditions
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Application forms are sent to municipalities and the evaluation of all applications and business plan proposals received from municipalities is completed by 31 October 2022

HUMAN SETTLEMENTS GRANTS

Informal Settlements Upgrading Partnership Grant: Municipalities	
Transferring department	<ul style="list-style-type: none"> Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> The creation of sustainable and integrated human settlements that enable improved quality of household life
Grant purpose	<ul style="list-style-type: none"> To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to upgrading informal settlements
Outcome statements	<ul style="list-style-type: none"> Adequate housing in improved quality living environment
Outputs	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> Phase 1 <ul style="list-style-type: none"> Number of pre-feasibility studies conducted Phase 2 <ul style="list-style-type: none"> Feasibility studies: <ul style="list-style-type: none"> number of environmental impact assessments undertaken number of geotechnical studies conducted number of any other relevant studies conducted Land acquisition: <ul style="list-style-type: none"> hectares of land acquired for in-situ upgrading hectares of land acquired for relocation hectares of land transferred and registered hectares of land availed in terms of land availability/development agreement Number of settlements supplied with bulk infrastructure Number of settlements benefitting from interim municipal engineering services and/or any other alternative engineering services Number of settlements provided with rudimentary services Phase 3 <ul style="list-style-type: none"> Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services Number of serviced sites developed Number of social and economic amenities. The specific types of amenities must only be provided in collaboration with municipality and the community Number of sites transferred to end users Number of households provided with secure tenure Number of engineering designs: water, sewer, roads and storm water drainage concluded Number of layout plans approved
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant requires municipalities to use the human settlements chapter of their IDPs to prioritise and attain municipal council approval on informal settlements to be upgraded in the 2022/23 financial year A municipality must submit a business plan prepared in terms of the requirements of the DHS business planning for informal settlements upgrading Municipalities 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"> project description settlement name and global positioning system coordinates project institutional arrangements sustainable livelihood implementation plan outputs and targets for services to be delivered cash flow projections (payment schedule) details of the support plan risk management plan prioritisation certificate issued by the municipal council in consultation with relevant mayors Procurement plan confirming appointment of requisite service providers in accordance with government procurement preferential plans and policies For those settlements where upgrading plans have not yet been completed, an interim or comprehensive plan with clear deliverables in terms of the UISP phases contained in the National Housing Code must be submitted Number of jobs and training opportunities to be created

Informal Settlements Upgrading Partnership Grant: Municipalities	
Conditions	<ul style="list-style-type: none"> • Funds should be utilised as per the UISP as defined in the National Housing Code • The transfer of the first tranche of funds is conditional upon the national Department of Human Settlements (DHS) approving business plan and informal settlement upgrading plans per settlement consistent with the provisions of the Housing Act and in compliance with the National Housing Code • The flow of the second tranche will be conditional upon the: <ul style="list-style-type: none"> ○ 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 ○ submission of the report with financial and non-financial information aligned to the approved upgrading plans • 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 • Municipalities should only implement projects in the approved upgrading plans and any deviation from the approved upgrading plans should be sought from the DHS • Where there are no upgrading plans and spending is approved in terms of an interim plan, funding will only be transferred to a metro provided that confirmation is provided to DHS that individual upgrading plans are being developed for these projects and will be completed by the end of 2022/23 • Municipalities should ensure alignment between the infrastructure grants (provision of bulk) and the ISUPG • Municipal managers must sign off and confirm that projects captured in their informal settlements upgrading plans are assessed and approved for implementation in the 2022/23 financial year • Municipalities may request in writing to the transferring officer, approval to amend their business plans. In case of a municipality having been allocated additional funding, a separate report is to be submitted by such municipality. The transferring officer should respond within 3 working days • The payment schedules submitted by municipalities should be derived from the cash flows contained in the approved upgrading plans • A maximum of 5 per cent of the allocation may be utilised for the Operational Support Capital Programme as per the Operational Support Capital Programme Policy of the DHS • The transfer of the first tranche of funds is conditional upon approval by the DHS of municipal business plan which is consistent with the provisions of the Housing Act, 2022 Division of Revenue Act (DoRA) and in compliance with the National Housing Code
Allocation criteria	<ul style="list-style-type: none"> • The grant is allocated to all metropolitan municipalities • These funds are determined through the USDG allocation formula
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a conditional grant with a specific purpose to provide for the upgrading of informal settlements
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Grant introduced in 2021/22 <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • Grant introduced in 2021/22
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R4.2 billion; 2023/24: R4.4 billion and 2024/25: R4.6 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers will be made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Maintain the policy and programme and assist with interpretation • Develop a reporting template for municipalities on UISP outputs and publish it by 30 May 2022 • Monitor and evaluate municipal financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the UISP • Provide implementation assistance support to municipalities as may be required • Undertake structured and other visits to municipalities as is necessary • Facilitate structured intergovernmental forums for regular interaction with municipalities • Submit a report on the status of informal settlements and their categorisation (in terms of the National Upgrading Support Programme's methodology) to National Treasury by 01 August 2022 • Identify lessons from the preparation and implementation of this window and use these to inform the design of the proposed new grant for informal settlement upgrading • The transferring officer should design and distribute a template to be signed by a Municipal Manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities • Use the ISUP grant to leverage other forms of funding • Prioritise the gazetted priority projects <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Initiate, plan and formulate applications for projects relating to the upgrading of informal settlements, which in the case of municipalities that are not accredited, must be in collaboration with the relevant provincial department

Informal Settlements Upgrading Partnership Grant: Municipalities	
	<ul style="list-style-type: none"> • Request assistance from the provincial department on any of the matters concerned if the municipality lacks the capacity, resources or expertise • Submit informal settlement upgrading plans by 27 May 2022 • Implement approved projects in accordance with UISP plans approved by the national department • Fast-track the planning approval processes for informal settlements upgrading projects • Assume ownership of the engineering services installed • Manage, operate and maintain settlement areas developed under this programme • Coordinate and facilitate the provision of bulk and connector engineering services (including through funding from the main USDG) • Submit a report on the status of informal settlements in their municipal area and their categorisation (in terms of the National Upgrading Support Programme's methodology) to DHS by 27 May 2022 • Identify lessons from the implementation of this window and share these with DHS • Municipalities should submit a signed letter by a municipal manager or a delegated person, as an attachment to the monthly and quarterly reports • Detailed performance report per settlement (i.e., project level performance) report for phase 1-3 aligned to the business plan must be submitted quarterly • Municipalities must adhere to section 16 of the 2022 DoRA if they are planning to appoint any other organ of state to implement human settlement projects on their behalf • 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 • Municipalities must report on the percentage of their allocations awarded to companies owned by designated groups on a monthly and quarterly basis
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Draft informal settlement upgrading plans for each settlement to be upgraded in 2022/23 must be submitted to DHS by 30 January 2023. The DHS will provide comments by 15 March 2023 • Final business plans must be submitted by no later than 17 April 2023

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

Municipal Emergency Housing Grant	
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> The grant was allocated R259 million and R166 million was transferred to municipalities of which R144 million was spent by municipalities <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> Number of temporary residential units built: <ul style="list-style-type: none"> uMtshatzi: 649 Mbashe Local Municipality: 82 Namakoi Local Municipality: 20 Greater Kosi Local Municipality: 81
Projected life	<ul style="list-style-type: none"> This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R175 million; 2023/24: R183 million and 2024/25: R191 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<ul style="list-style-type: none"> Responsibilities of the national department DHS will, upon receipt of the application for disaster relief, send acknowledgement of receipt within 1 day of receipt of such an application DHS should conduct assessment and physical verification of a disaster incident within 10 days after the receipt of the application for disaster relief from the province and within a day after recommending to the Director General approval or non-approval of the application A letter signed by the Director General will be sent to the municipality within 3 days after the conclusion of assessment and verification period of 10 days thereafter informing the province of the outcome of the assessment Advise and guide municipalities about the existence of the MEHG and how it can be accessed Develop and publish the MEHG application form template in consultation with National Treasury and the National Disaster Management Centre Monitor programme implementation including establishing and maintaining a register or database of human settlements disasters Support municipalities to plan for potential disasters. This includes identifying communities/households that reside in unsafe conditions posing a threat to health and safety as well as households who live in areas prone to flooding and/or other disasters Monitor the planning and priority development for communities/households residing in unhealthy and life-threatening circumstances and provide implementation assistance where required Facilitate a coordinated housing assistance intervention response in circumstances where disasters affect more than one municipality Coordinate assistance with the National Disaster Management Centre to ensure there is no duplication of funding with the provincial and municipal disaster relief grants and the Provincial Emergency Housing Grant Request National Treasury's approval for the disbursement of funds to municipalities within 10 days of receipt of an application for funding from this grant Notify the municipality and the relevant provincial treasury of a transfer at least two days before the transfer of funds. Funds must be transferred no later than five days after the notification Design a reporting template to be signed a duly authorised and or delegated official in the municipality Transfer funds to the municipalities with a clear stipulation of the purpose of the funds Provide the National Treasury with written notification of the transfer within 10 days after a transfer of the funds Undertake oversight visits together with the municipality for verifications of reported performance Submit financial and non-financial reports to the National Treasury 20 days after the end of each month Provide a performance report within 45 days after the end of the quarter in which the funds were spent, to the National Treasury, using the disaster allocation monitoring template agreed with the National Treasury Together with the municipalities monitor the implementation of funded projects Support municipalities in accessing the MEHG DHS must publish guidelines for registration of beneficiaries and emergency response in rural areas <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Municipalities are responsible for providing the first response in the immediate aftermath of a housing emergency and should notify the DHS within 3 days after the disaster has occurred. The assessment and physical verification of the disaster should be undertaken within 2 days Municipalities should apply for the MEHG within 14 days of the agreement that an emergency exists Municipalities must facilitate the release of municipal owned land Prepare and submit a complete application with all supporting documents for the MEHG in the event of disaster incidents occurring within their jurisdiction Together with the national DHS and PDMC conduct initial assessments of disaster impacts to verify the applications for funding within five days following the occurrence of a reported incident that meets the conditions Upon approval of the application by the national DHS and receipt of funding, implement the intended relief measure (emergency housing solutions) in respect of the affected households and communities Manage implementation of emergency interventions including establishing and maintaining a register or database of human settlements disasters and emergencies in the municipality Plan disaster mitigation measures in collaboration with the relevant Local Disaster Management Centre; these include public awareness and community outreach initiatives in respect of disaster mitigation Facilitate the release of municipal owned land for emergency housing and resettlement purposes

Municipal Emergency Housing Grant	
	<ul style="list-style-type: none"> • Plan for potential disaster incidents. This includes identifying communities/households that reside on inadequate land posing a threat to health and safety as well as households who live in areas prone to flooding and/or other disasters • Facilitate that identified and prioritised communities and/or households are relocated and properly housed in formalised townships that comply with human settlement development norms and standards • Ensure that the shelter solutions comply with the Housing Code • Monitor the planning and priority development for communities/households residing in unhealthy and life-threatening circumstances and provide implementation assistance where required • Provide financial and non-financial reports to national DHS within 15 days after the end of each month on a reporting template signed by a duly authorised and or delegated official in the municipality • Ensure contingency plans are in place to facilitate the provision of emergency shelter in the immediate aftermath of a housing emergency. These plans could include having standby contracts in place that allow for the rapid deployment of emergency shelter and/or identifying safe sites for temporary shelter • Ensure that emergency procurement policies in line with the Public Finance Management Act (PFMA) and Treasury Regulations are in place • Provide a performance report which includes evidence on progress with implementation of the projects to the national DHS within 30 days after the end of the quarter in which funds are spent • Apply for rollover in terms of section 21 of the 2022 Division of Revenue Act and furnish the transferring officer with a proof of the submission to National Treasury • Identify communities and/or households for temporary relocation due to an imminent disaster event • Monitor the implementation of funded disaster projects by sectors • Maintain a register of the beneficiaries detailing names, ID numbers and physical location as per the DHS guidelines • Encourage active involvement of communities/effective communication in planning and executing relocation plans
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Not applicable

Urban Settlements Development Grant	
Transferring department	<ul style="list-style-type: none"> • Human Settlements (Vote 33)
Grant schedule	<ul style="list-style-type: none"> • Schedule 4, Part B
Strategic goal	<ul style="list-style-type: none"> • The creation of sustainable and integrated human settlements that enable improved quality of household life
Grant purpose	<ul style="list-style-type: none"> • To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development
Outcome statements	<ul style="list-style-type: none"> • The outcomes to be realised in order to promote integrated sustainable urban settlements and improved quality of living environments are as follows: <ul style="list-style-type: none"> ○ supporting inclusive densification and transit-oriented urban development, integrating existing and new urban developments ○ provision of adequate bulk and link infrastructure for mixed-income and mixed-use urban developments ○ provide opportunities for leveraging of public funding within partnerships that promote integrated mixed-income and mixed-use urban development projects and funding for broader urban development ○ provision of resources for sustainable community development for social and economic infrastructure and meaningful participation
Outputs	<ul style="list-style-type: none"> • The following outputs should be funded by the grant to support the improvement of the overall built environment: <ul style="list-style-type: none"> ○ increase in municipal bulk and link infrastructure ○ construction/provision of internal engineering services, including backyarders and densification overlay zones ○ increase in the number of serviced sites ○ increase in the provision of individual connections ○ increase in land provision for informal settlement upgrading, subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments ○ increase in access to public and socio-economic amenities ○ increase in the number of interim basic services ○ increase in number of community agreements • Response to the COVID-19 pandemic <ul style="list-style-type: none"> • Number of municipal-owned facilities identified for quarantine sites that are repaired (limited to repairs to existing facilities, not modifications and operational costs) • Number of public facilities (by category) sanitised • Number of hand-washing dispensers installed • Litres of sanitiser procured • Number of temperature scanners procured • Number of municipal workers provided with personal protective equipment
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses the USDG plan (containing a project list with project names, project descriptions, infrastructure classification, Geographic Information System (GIS) coordinates and wards in which projects are being developed. The USDG plan is consistent with the Integrated Development Plan (IDP), including the human settlements chapter of the IDP, and the Service Delivery and Budget Implementation Plan (SDBIP) of the receiving municipality
Conditions	<ul style="list-style-type: none"> • Municipalities must submit a USDG plan that is aligned to the SDBIP, IDP and the One Plan in pilot areas for the District Development Model to the national Department of Human Settlements (DHS) and National Treasury • The annual USDG plan must contain a project list with project names, project descriptions, classification of infrastructure, GIS coordinates and wards in which projects are being developed. The submission should include motivations of how the projects will benefit poor households and information on spatial targeting, co-funding and other associated investments • The flow of the first tranche is subject to: <ul style="list-style-type: none"> ○ submission of the 2021/22 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 ○ submission of a USDG plan that is aligned to the municipal IDP, SDBIP and national priorities by 27 May 2022 • The flow of the second tranche will be conditional upon the submission of the 2021/22 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 88 • 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 • A maximum of 3 per cent of the USDG may be used to procure capacity to support the implementation of USDG human settlements programme outputs as contained in the Medium-Term Strategic Framework (MTSF) and in line with the capacity building guideline issued by DHS

Urban Settlements Development Grant	
	<ul style="list-style-type: none"> • Municipalities must indicate the amounts of their annual allocations for spending on the identified national priority projects as approved by the municipal council • Metros must prioritise the implementation of projects that are in the gazetted Priority Human Settlements and Housing Development Areas <p>Response to COVID-19 pandemic</p> <ul style="list-style-type: none"> • Municipalities must submit a USDG plan for approval by DHS, outlining the planned use of USDG funds for the following activities as part of the response to the COVID-19 pandemic: <ul style="list-style-type: none"> ○ municipalities must prioritise the provision of water and sanitation to communities that do not currently have access to water services or require additional water services ○ funds may be used for the costs of providing services at higher frequency and/or standards for informal settlements and vulnerable communities but a motivation must be submitted to DHS for approval ○ grant funds may be used for the repair of municipal-owned infrastructure identified for quarantine sites (limited to repairs to existing facilities, not modifications and operational costs) ○ funds may be used for the sanitisation of public facilities (except public transport facilities) ○ Buffalo City may use up to 15 per cent of its allocation for the sanitisation of public transport facilities, including providing for hand washing facilities, hand sanitiser, provisions for physical distancing and provision of personal protective equipment for public transport workers • Monthly reports on COVID-19 expenditure must include information on actual spending and services delivered
Allocation criteria	<ul style="list-style-type: none"> • The grant is allocated to all metropolitan municipalities • The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2022 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a supplementary capital infrastructure grant with conditions, objectives and distribution criteria (including infrastructure backlogs) different to those of the equitable share
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • The total available funds including rollovers amounted to R11.6 billion and the expenditure was R11.3 billion (97 per cent) <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • Delivery performance is indicated in the performance evaluation reports for 2020/21
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R7.4 billion; 2023/24: R7.7 billion and 2024/25: R8 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers will be made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Develop indicators for the outcomes and outputs • Convene a structured forum to meet with municipalities on a quarterly basis • Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities • Provide support to municipalities with regard to human settlement programmes • Publish a guideline by 27 May 2022 on how municipalities should use capacity funds from this grant • Ensure collaboration between provinces and municipalities to promote area-based planning, budgeting and funding alignment as well as implementation support, where applicable • Undertake oversight visits to municipalities as may be necessary • Facilitate strategic and spatial planning support related to human settlements development • Provide systems, including the Housing Subsidy System that support the administration of the human settlements delivery process • Coordinate and facilitate interaction between national departments, state-owned enterprises, other relevant entities of the state, provincial departments of human settlements and participating municipalities, on a quarterly basis • When under expenditure and under performance is identified, the department may recommend the stopping and reallocation of funds in terms of sections 18 and 19 of the 2022 Division of Revenue Act (DoRA) • Participate in the municipal budget benchmarking process as and when indicated by the National Treasury • Share COVID-19 response plans from municipalities with National Treasury for comments before approving them • DHS must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 9 of the 2022 DoRA and must share these reports with the National Disaster Management Centre • The transferring officer should design and distribute a template to be signed by a municipal manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities • <u>Use this grant to leverage alternative financing</u> <p>Responsibilities of other national sector departments</p> <ul style="list-style-type: none"> • The Department of Mineral Resources and Energy, Department of Water and Sanitation, Department of Environment, Forestry and Fisheries and the Department of Transport must all provide technical advice and support relevant to their sectors and monitor the performance of municipalities in line with the requirements set out in the MFMA circular 88

Urban Settlements Development Grant	
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Metropolitan municipalities may replace non-performing projects with performing projects providing a similar infrastructure that fulfils the same policy objectives. This replacement should not jeopardise the achievement of the overall MTSF targets committed to by the municipality • Changes to the approved project list may only be made once a quarter and the metro must notify the DHS in writing and provide all the relevant details of the new project within 30 days after the end of the quarter • Comply with the terms and conditions of the receiving officer outlined in the 2022 DoRA • Ensure effective and efficient utilisation of the grant and alignment to the purpose and outputs of the grant • Ensure compliance with required intergovernmental forums, reporting, and accountability frameworks for human settlements • Ensure that the USDG is used to meet municipality MTSF targets • Municipalities should submit a signed letter by a municipal manager or a delegated authorised person as an attachment to the monthly and quarterly reports • Municipalities must report on the percentage of their allocations spent on service provided by companies owned by designated groups on a quarterly basis • Municipalities must adhere to section 16 of the 2022 DoRA if they are planning to appoint any other organ of state to implement Human Settlements projects on their behalf • 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
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Municipalities must submit a comprehensive USDG plan (based on circular 88 indicators) with targets aligned to the MTSF, IDP and SDBIP and a draft and/or approved municipal budget • Municipalities must submit their first draft of the USDG plan to the transferring officer by 24 March 2023 and the final USDG plan should be submitted by 31 May 2023

NATIONAL TREASURY GRANTS

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

Infrastructure Skills Development Grant	
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • R143 million was allocated and transferred to 15 municipalities <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • The grant has created employment and training opportunities • Currently 367 graduates are in training • Since inception of the grant, 303 graduates have been professionally registered with the relevant statutory councils • 263 graduates are professionally registered and absorbed by the municipalities • In 2020/21 the following municipalities hosted graduates through the grant: Buffalo City (27 graduates); Nelson Mandela Bay (30 graduates); eThekweni (48 graduates); City of Johannesburg (18 graduates); Polokwane (18 graduates); Govan Mbeki (56 graduates); Gert Sibande (31 graduates); Alfred Nzo (19 graduates); Sol Plaatje (13 graduates); John Taolo Gaetsewe (9 graduates); King Sabata Dalindyebo (10 graduates); City of Cape Town (28 graduates); George (15 graduates); Alfred Duma (11 graduates); Thulamela (10 graduates)
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R159 million; 2023/24: R160 million and 2024/25: R167 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by the National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Issue guidelines and supporting documentation for the implementation of the ISDG • Rollout the ISDG in municipalities in compliance with the ISDG framework, guidelines and relevant prescripts • Manage, monitor and report on the programme • Ensure professional development is aligned to statutory council requirements • Monitor the registration progress of graduates with the relevant statutory councils by municipalities • Monitor financial and non-financial performance of the ISDG • Maintain graduates' database for the ISDG • Work with relevant stakeholders on policies, strategies and guidelines to recruit graduates into permanent positions in local government after they have registered as professionals • Participate in the review of the municipal capacity support system during 2022 <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Comply with the requirements of the 2022 Division of Revenue Act, ISDG guidelines, service level agreement and the requirements of the relevant statutory councils • Municipalities must prepare a structured training plan, indicating how graduates will be exposed to suitable projects, to ensure that graduates achieve competencies in relevant activities and are developed professionally to meet the outcome(s) requirements for professional registration • Seek and provide secondment opportunities/agreements with professional service providers, appointed by the municipality, when there is no more relevant work with adequate responsibility for the candidate to progress • Provide the candidate with the requisite workspace, supervisor, tools of profession/trade and logistics to perform the recommended activities within their training plans • Continuously review and assess the candidates' work and progress on the road-to-registration and make recommendations for corrective action • Ensure that candidates attend professional development activities in accordance with their training plans, progress and the requirements of their respective statutory councils • Attend all meetings and workshops convened by the National Treasury relating to this grant • Support and supervise graduates on the road-to-registration training • Recruit professionally registered mentors who are able to provide the skills training required and ensure that they are adequately orientated on the registration process and its requirements • Manage the programme and provide progress reports on a monthly and quarterly basis in the standard reporting templates provided by the National Treasury • Manage the utilisation of ISDG funds and report to the National Treasury • The municipality must provide, and update, the list of business tools procured with ISDG funds. The business tools must be procured in accordance with ISDG guidelines • Municipalities must submit applications for graduates to register as candidates with the relevant statutory councils within six months, and where not initially eligible, must complete the additional requirements for acceptance as a candidate within 12 months of intake • Municipalities must submit evidence of the graduates' registration to National Treasury when graduates have registered as professionals
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Interested municipalities must submit a three-year business plan by 31 August 2022 for assessment by the National Treasury • Participating municipalities must submit revised business plans to the National Treasury by 31 August 2022

Local Government Financial Management Grant	
Transferring department	<ul style="list-style-type: none"> • National Treasury (Vote 8)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> • To secure sound and sustainable management of the fiscal and financial affairs of municipalities
Grant purpose	<ul style="list-style-type: none"> • To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA)
Outcome statements	<ul style="list-style-type: none"> • Strengthen capacity in the financial management of municipalities • Improved and sustained skills development, including the appointment of interns supporting the implementation of financial management reforms focusing on the gaps identified in the Financial Management Grant (FMG) support plans • Appropriately skilled financial officers, appointed in municipalities consistent with the minimum competency regulations • Improved financial management maturity and capabilities • Timely submission of financial statements and improved audit outcomes • Improvement in municipal financial governance and oversight • Reduction in unauthorised, irregular, fruitless and wasteful expenditure incurred by municipalities
Outputs	<ul style="list-style-type: none"> • Number of municipal officials registered for financial management training • Number of interns serving on the internship program, and permanently appointed in municipalities • Number of municipalities that have reassessed priority modules in the Financial Management Capability Maturity Model (FMCMM) • Number of municipalities with established internal audit units and audit committees • Number of municipalities that submitted their annual financial statements timeously • Number of municipalities with disclaimers and adverse opinions that developed audit action plans • Submission of FMG support plans • Number of municipalities that are municipal Standard Chart of Accounts (mSCOA) complaint • Number of disciplinary boards established
Priorities of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 1: A capable, ethical and developmental state • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses an FMG support plan which identifies weaknesses in financial management, which are planned to be addressed through the grant allocation
Conditions	<ul style="list-style-type: none"> • FMG funds can be used towards the following: <ul style="list-style-type: none"> ○ strengthen capacity and up-skilling officials in the budget and treasury office, internal audit and audit committees ○ a total of five interns in local municipalities and three interns in metropolitan and district municipalities must be appointed over a multi-year period. Municipalities must submit a plan for the retention of skills developed through the internship programme ○ acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, service delivery and budget implementation plans, annual financial statements, annual reports and automated financial management practices including the mSCOA ○ support the training of municipal financial management officials working towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007 amended through Gazette 41996 of October 2018 ○ support the preparation of the assets register ○ technical support to municipalities must include the transfer of skills to municipal officials ○ support the implementation of corrective actions to address the root causes of audit findings in municipalities that received adverse and disclaimer opinions ○ support the implementation of the financial misconduct regulations and promote consequence management to reduce unauthorised, irregular, fruitless and wasteful expenditure incurred by municipalities ○ support to strengthen financial governance and oversight, as well as functioning of Municipal Public Accounts Committees ○ implementation of financial management reforms and overall compliance with the MFMA to address shortcomings identified in the Financial Management Capability Maturity Model assessments for that municipality ○ on-going review, revision and submission of FMG support plans to the National Treasury that address weaknesses in financial management • FMG support plan must be consistent with the conditions of the grant and must be submitted timeously • Timely submission of reports with complete information as prescribed in the 2022 Division of Revenue Act • Expenditure must be maintained at appropriate levels
Allocation criteria	<ul style="list-style-type: none"> • All municipalities benefit from allocations to augment their own resources in support of implementation of the financial management reforms • Priority is given to municipalities: <ul style="list-style-type: none"> ○ with challenges/shortcomings in processes, procedures and systems to effectively implement the MFMA, as identified in the Financial Management Capability Maturity Model assessment ○ with adverse and disclaimer audit opinions

Local Government Financial Management Grant	
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> Grant provides direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA, its regulations and associated financial reforms
Past performance	2020/21 audited financial outcomes <ul style="list-style-type: none"> R545 million was allocated to 257 municipalities
	2020/21 service delivery performance <ul style="list-style-type: none"> All 257 municipalities submitted FMG support plans 1 211 graduate finance interns were serving on the internship programme in municipalities as at 30 June 2021 2 985 interns have been permanently appointed since 2004 in municipalities The grant supported the following outputs: <ul style="list-style-type: none"> 1 597 officials received a statement of results for attaining minimum competencies 52 municipalities utilised the FMG to develop audit action plans and implement corrective actions to address 2019/20 audit findings 200 (78 per cent) municipalities have established disciplinary boards as at 30 June 2021 235 (91 per cent) of municipalities submitted AFS by the extended deadline as at 31 October 2020
Projected life	<ul style="list-style-type: none"> This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R566 million; 2023/24: R569 million and 2024/25: R594 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> Management, monitoring and reporting of the programme Transfer funds to municipalities in terms of the 2022 Division of Revenue Act Undertake on-going monitoring of the municipalities Participate in the review of the municipal capacity support system during 2022 With respect to the preparation of asset registers, coordinate with the Department of Cooperative Governance to ensure that there is no duplication of funding with the Municipal Infrastructure Grant
	Responsibilities of municipalities <ul style="list-style-type: none"> Submit support plans which are consistent with the conditions of the grant Submit reports consistent with the reporting requirements in the 2022 Division of Revenue Act
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> On-going review, revision and submission of the FMG support plans to address weaknesses in financial management The programme is based on the FMG support plans which municipalities must submit to the National Treasury before the start of the municipal financial year

Neighbourhood Development Partnership Grant																												
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 8) 																											
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B and Schedule 6, Part B 																											
Strategic goal	<ul style="list-style-type: none"> Eradicating spatial inequality towards the creation of liveable, sustainable, resilient, efficient, and integrated towns and cities 																											
Grant purpose	<ul style="list-style-type: none"> To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, townships and rural towns 																											
Outcome statements	<ul style="list-style-type: none"> Spatially integrated cities and towns Diversity of public and private capital investments leveraged into targeted locations Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third-party capital investment into strategic locations Improved municipal capacity to support infrastructure investment planning, prioritisation, and ability to drive long-term spatial transformation Improved social cohesion and strengthened social safety net 																											
Outputs	<ul style="list-style-type: none"> Targeted locations with catalytic projects, defined as either: <ul style="list-style-type: none"> urban hub precincts with secondary linkages and rural regional service centers catalytic programmes within integration zones built environment upgrade projects in urban townships and rural towns leveraged third-party capital investment into targeted locations The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events Enhanced municipal strategic competencies in investment targeting, implementation, and urban management Number of work opportunities and Full-Time Equivalents created through the city-led public employment programme (PEP) 																											
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 2: Economic transformation and job creation Priority 5: Spatial integration, human settlements and local government 																											
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities 																											
Conditions	<ul style="list-style-type: none"> Compliance with the aims and objectives outlined in the investment plans between the municipality and the transferring officer Submission of cash flow schedules with budgets and timeframes for technical assistance and capital grant (project) implementation as requested by the transferring officer Programme execution is dependent on a sequential and formal acceptance/approval by the transferring officer of NDPG-related municipal plans or deliverables Municipalities must commit to forging partnerships with businesses, investors, communities, national and provincial government and state-owned entities in order to leverage the third-party capital investment required to ensure long-term and sustainable outcomes for each precinct <p>Response to the COVID-19 pandemic: City-led Public Employment Programme (PEP)</p> <ul style="list-style-type: none"> R800 million and R855.6 million has been allocated to the eight metros from the Presidential Employment Initiative for 2022/23 and 2023/24 respectively. The breakdown per municipality is as follows: <table style="margin-left: 40px; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">2022/ 23</th> <th style="text-align: center;">2023/ 24</th> </tr> </thead> <tbody> <tr> <td>o Buffalo City</td> <td style="text-align: center;">R21 million</td> <td style="text-align: center;">R21 million</td> </tr> <tr> <td>o City of Cape Town</td> <td style="text-align: center;">R156 million</td> <td style="text-align: center;">R161 million</td> </tr> <tr> <td>o City of Ekurhuleni</td> <td style="text-align: center;">R58 million</td> <td style="text-align: center;">R64 million</td> </tr> <tr> <td>o City of Johannesburg</td> <td style="text-align: center;">R126 million</td> <td style="text-align: center;">R126 million</td> </tr> <tr> <td>o City of Tshwane</td> <td style="text-align: center;">R140 million</td> <td style="text-align: center;">R146 million</td> </tr> <tr> <td>o eThekweni</td> <td style="text-align: center;">R263 million</td> <td style="text-align: center;">R293 million</td> </tr> <tr> <td>o Mangaung</td> <td style="text-align: center;">R20 million</td> <td style="text-align: center;">R20 million</td> </tr> <tr> <td>o Nelson Mandela Bay</td> <td style="text-align: center;">R16 million</td> <td style="text-align: center;">R25 million</td> </tr> </tbody> </table> Funds may be used to upscale city-led PEPs that contribute to: upgrading informal settlements, maintenance, development and management of public space and assets, 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 Metropolitan municipalities must submit a business plan for approval by National Treasury on the date stipulated by National Treasury, outlining the key activities, inputs, output indicators and outcome indicators 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"> the basic minimum wage should be used as a guideline for costing the PEP employment opportunities supervisory, project management and operational-related materials costs should be budgeted for A maximum of 10 per cent of the PEP allocation can be used for the purchasing of capital equipment Cities can shift funds between city-led PEP projects National Treasury must be notified of such shifts in the monthly reports Metropolitan municipalities must report on the use of these funds in line with the reporting requirements of section 12 of the Division of Revenue Act 		2022/ 23	2023/ 24	o Buffalo City	R21 million	R21 million	o City of Cape Town	R156 million	R161 million	o City of Ekurhuleni	R58 million	R64 million	o City of Johannesburg	R126 million	R126 million	o City of Tshwane	R140 million	R146 million	o eThekweni	R263 million	R293 million	o Mangaung	R20 million	R20 million	o Nelson Mandela Bay	R16 million	R25 million
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o Nelson Mandela Bay	R16 million	R25 million																										

Neighbourhood Development Partnership Grant	
Allocation criteria	<ul style="list-style-type: none"> • The grant funds the following activities in targeted locations that are defined as urban hubs and regional service centers: <ul style="list-style-type: none"> ◦ planning and the development of catalytic programmes and projects ◦ the development of built environment upgrade projects in townships and rural towns • Schedule 6, Part B: technical assistance allocations support planning and professional programme management costs for programmes and projects in targeted locations in order to attract and sustain third party capital investments based on the NDPG's allocation criteria • Schedule 5, Part B: capital grant allocations are determined via a pipeline of prioritised projects that have been identified through the planning process, in targeted locations • Allocations are focused on municipalities whose circumstances align with the NDPG's criteria, these include: higher population densities, diverse nature of economic activity, concentrations of poverty, inefficient spatial-historical development, improved connectivity and mobility (in particular through improved public transport networks) • Rural towns are selected according to population or population growth, location, economic potential and/or growth and governance and financial health • The city-led PEP allocations are limited to the 8 metropolitan municipalities and are based on the business plans submitted by each municipality
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This grant has a strong focus on catalytic nodal and linkage investment in targeted township locations that is not the focus of the equitable share
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • R479 million allocated in Schedule 5, Part B direct transfers to municipalities and R479 million of this was transferred to municipalities • R63 million allocated in Schedule 6, Part B indirect transfers to municipalities and R61 million of this was spent by the end of the national financial year <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 82 NDPG projects under construction in 2020/21 • R16 billion in estimated third party investment leveraged (cumulative since 2007/08) • 607 catalytic projects approved (cumulative since 2007/08) • 18 long-term urban regeneration programmes registered (cumulative since 2013/14)
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<p>Direct transfers (Schedule 5, Part B):</p> <ul style="list-style-type: none"> • 2022/23: R1.4 billion; 2023/24: R1.5 billion and 2024/25: R647 million <p>Allocation-in-kind (Schedule 6, Part B):</p> <ul style="list-style-type: none"> • 2022/23: R101 million; 2023/24: R101 million and 2024/25: R105 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Funds plans and catalytic projects in targeted locations that are defined either as urban hubs, integration zones, catalytic programmes or as built environment upgrade projects in urban and rural towns, including: <ul style="list-style-type: none"> ◦ notifying all municipalities of their allocation status, both directly and via the Neighbourhood Development Partnerships page on the National Treasury website ◦ reporting in terms of the 2022 Division of Revenue Act ◦ determining grant allocations for the Medium Term Expenditure Framework period ◦ governing the acceptance or approval milestones of NDPG-related municipal plans or deliverables ◦ monitoring, managing and evaluating financial and non-financial performance ◦ overseeing and enforcing the conditions of this grant ◦ producing and disseminating toolkits, guidance and good practice notes that strengthen competencies in investment targeting, implementation and urban management • Coordinate an advisory committee that includes the Department of Rural Development and Land Reform, Department of Cooperative Governance as part of the management of NDPG's small town projects • Participate in the review of the municipal capacity support system during 2022 <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the 2022 Division of Revenue Act • Submit a cash flow schedule with budgets and timeframes for technical assistance and/or capital grant implementation as requested by the transferring officer • Provide adequate human resources capacity for the successful coordination and implementation of NDPG projects • Coordinate the development of NDPG related municipal plans or deliverables and ensure that they are aligned with the grant objectives against which performance will be assessed • Manage and monitor technical assistance and/or capital grant implementation ensuring sound financial management and value for money • Maintain accurate and up to date grant and performance information as specified in NDPG management information formats and systems • Engage stakeholders so as to develop partnerships that leverage funding into the targeted locations • Enter and manage partnerships agreements to ensure that the desired project deliverables and objectives are met • Collect and provide evidence of funding leveraged into each precinct

Neighbourhood Development Partnership Grant	
	<ul style="list-style-type: none"> • Mainstream and reflect the NDPG development strategies and plans across the municipality, i.e. through the municipal: <ul style="list-style-type: none"> ○ spatial development frameworks and capital investment frameworks (as a chapter in the municipal Spatial Development Framework) ○ Integrated Development Plans
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • Submission of NDPG related municipal plans and/or deliverables within the timeframes defined in each municipality's own work plans • Plans and/or deliverables must include an indication of: <ul style="list-style-type: none"> ○ the ability to attract and report on third-party funding leveraged ○ the quality of performance and progress reporting ○ the level of NDPG alignment across all municipal development strategies and plans including coordination, targeting, and prioritisation with other related capital projects as reflected through municipal spatial development frameworks and capital investment frameworks

Programme and Project Preparation Support Grant	
Transferring department	<ul style="list-style-type: none"> National Treasury (Vote 8)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> The development of more inclusive, liveable, productive and sustainable urban built environments in metropolitan municipalities
Grant purpose	<ul style="list-style-type: none"> To support metropolitan municipalities to develop a pipeline of investment ready capital programmes and projects through establishing and institutionalising an effective and efficient system of programme and project preparation and the allocation of a growing level of municipal resources to preparation activities
Outcome statements	<ul style="list-style-type: none"> Strengthened and effective system of programme and project preparation in the metropolitan cities
Outputs	<ul style="list-style-type: none"> Effective and transparent system for project approvals (clearly defined authorising environment) in the metropolitan municipalities Increased investment in programme and project preparation by the metropolitan municipalities Credible pipeline of projects developed by metropolitan municipalities Number of feasibility studies/strategies completed Long-term programmes/projects that will attract private investment and assist metropolitan municipality enhance revenue
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> Outcome indicators Output indicators Inputs Key activities
Conditions	<ul style="list-style-type: none"> Eligibility is restricted to metropolitan municipalities which have: <ul style="list-style-type: none"> guidelines committed to co-financing contributions The first transfer of the grant will only be released to a municipality that has, by 31 May 2022, submitted a work plan to National Treasury with programme and project preparation activities Further transfers will be based on performance in line with the work plan submitted to National Treasury Funds can only be spent on direct operating costs for programme and project preparation activities 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
Allocation criteria	<ul style="list-style-type: none"> Allocations will be made to eligible metropolitan municipalities on a population-weighted basis in order to account for the relatively greater planning complexity and investment needs in larger metropolitan municipalities Final allocations will be made based on municipal submissions (work plan) and performance, and subject to co-financing requirements
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The grant provides funding to the metropolitan municipalities to enhance the performance of their urban built environment programmes by supporting programme and project preparation. It reflects commitments contained in the National Development Plan to streamline funding for urban public investments to support the restructuring of the urban built environment
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> New grant <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> New grant
Projected life	<ul style="list-style-type: none"> This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R361 million; 2023/24: R377 million and 2024/25: R394 million
Payment schedule	<ul style="list-style-type: none"> Transfers are made in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Review eligibility criteria and assess compliance with grant conditions prior to the transfer of each tranche of the allocations Provide operational guidelines, facilitate peer learning and provide capacity support through the Cities Support Programme and the Neighbourhood Development Programme <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> Submit a work plan of activities relating to the establishment and institutionalisation of programme and project preparation Compile and submit monthly expenditure reports in line with the requirements as stipulated in the 2022 Division of Revenue Act Compile and submit quarterly non-financial performance related information, including progress reports in line with the requirements as stipulated in the 2022 Division of Revenue Act. Implement the work plan and report on progress
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> National Treasury will communicate further details of the requirements for project and programme preparation funding over the 2023 MTEF period by September 2022 Municipalities must submit a work plan of activities relating to the establishment and institutionalisation of programme and project preparation by November 2022

PUBLIC WORKS AND INFRASTRUCTURE GRANT

Expanded Public Works Programme Integrated Grant for Municipalities	
Transferring department	<ul style="list-style-type: none"> Public Works and Infrastructure (Vote 13)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised
Grant purpose	<ul style="list-style-type: none"> To incentivise municipalities to expand work creation efforts through the use of labour-intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: <ul style="list-style-type: none"> road maintenance and the maintenance of buildings low traffic volume roads and rural roads basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure) other economic and social infrastructure tourism and cultural industries waste management parks and beautification sustainable land-based livelihoods social services programmes community safety programmes
Outcome statements	<ul style="list-style-type: none"> Contribute towards increased levels of employment Improved opportunities for sustainable work through experience and learning gained
Outputs	<ul style="list-style-type: none"> Number of Full-Time Equivalents (FTEs) to be created through the grant Number of people employed and receiving income through the EPWP Number of days worked per work opportunity created
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 2: Economic transformation and job creation
Details contained in the business plan	<ul style="list-style-type: none"> The programme is implemented through municipalities using EPWP integrated agreements and project lists that specify the number of FTEs and work opportunities to be created
Conditions	<ul style="list-style-type: none"> EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by the Department of Public Works and Infrastructure (DPWI), the latest EPWP Ministerial Determination, the EPWP Recruitment Guidelines and the National Minimum Wage Act of 2018 including applicable gazettes Municipalities must report monthly on all EPWP projects via DPWI's EPWP reporting system Reports must be loaded on the EPWP reporting system every month. The system closes 15 days after the end of every quarter in order for progress to be assessed Municipalities must maintain participant and payroll records as specified in the audit requirements in the EPWP grant manual The EPWP grant cannot be used to fund the costs of permanent municipal personnel however, a maximum of 5 per cent of the grant can be used to fund contract-based capacity required to manage data capturing and on-site management costs related to the use of labour-intensive methods The EPWP grant can only be utilised for EPWP purposes, for the projects approved in each municipality's EPWP project list To respond to the COVID-19 pandemic, municipalities may use up to 10 per cent of their allocations for the provision of personal protective equipment (e.g., temperature scanners, hand washing facilities, hand sanitizers as per the standard determined by the Department of Health), and provisions for physical distancing To receive the first tranche of the allocations, eligible municipalities must submit a signed integrated agreement with a project list by 30 June 2022 Subsequent grant disbursements are conditional upon: <ul style="list-style-type: none"> eligible municipalities reporting EPWP performance within the required timeframes compliant reporting on EPWP Integrated Grant funded projects submitting on a quarterly basis non-financial reports including for the last quarter of the previous financial year reporting on EPWP Integrated Grant expenditure monthly within the required time frames Municipalities must implement their approved EPWP project list and meet agreed work opportunity targets Municipalities must ensure that EPWP branding is included as part of the project cost in line with the corporate identity manual
Allocation criteria	<ul style="list-style-type: none"> To be eligible for an EPWP grant allocation in 2022/23, a municipality must have reported at least 13 FTEs in either the infrastructure sector, social sector or environment and culture sector in the 2020/21 financial year, by 15 October 2021 Newly reporting municipalities must have reported at least 6.5 FTEs in either the infrastructure sector, social sector or environment and culture sector in the 2021/22 financial year by 15 October 2021 The EPWP grant allocations are based on: <ul style="list-style-type: none"> past EPWP performance the number of FTE jobs created in the prior 18 months past performance with regard to labour intensity in the creation of EPWP work opportunities service delivery information from 2016 Community Survey used as an adjustment factor Penalties are applied to municipalities with negative audit findings and non-compliant in terms of submission of the non-financial reports Allocation criteria include a rural bias

Expanded Public Works Programme Integrated Grant for Municipalities	
	<ul style="list-style-type: none"> Rural municipalities will also be prioritised in terms of technical support for implementation provided by DPWI
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> This grant is intended to fund the expansion of labour intensity in specific focus areas as well as to incentivise increased EPWP performance. The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas
Past performance	2020/21 audited financial outcomes <ul style="list-style-type: none"> The grant had an allocation of R748 million, 253 municipalities were eligible for the grant and 100 per cent of the allocation was transferred to these municipalities
	2020/21 service delivery performance <ul style="list-style-type: none"> 181 400 work opportunities were reported by 253 municipalities and validated on the EPWP system 62 729 FTE jobs were reported by 253 municipalities and validated on the EPWP system Average duration of the work opportunities created has increased to 79 days
Projected life	<ul style="list-style-type: none"> This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> 2022/23: R778 million; 2023/24: R781 million and 2024/25: R816 million
Payment schedule	<ul style="list-style-type: none"> Three tranches per annum: 25 per cent on 3 August 2022; 45 per cent on 2 November 2022 and 30 per cent on 1 February 2023
Responsibilities of the transferring officer and receiving officer	Responsibilities of the national department <ul style="list-style-type: none"> Determine eligibility and set grant allocations and FTE targets for eligible municipalities Publish on the EPWP website all documents relevant for municipalities to understand and implement the grant, including a grant manual, the relevant EPWP guidelines, the EPWP Ministerial Determination and the National Minimum Wage Act including applicable gazettes Support municipalities in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria apply the EPWP project selection criteria and EPWP guidelines to project design report using the EPWP reporting system Monitor the performance and spending of municipalities according to the signed incentive agreement Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions Conduct site visits to verify existence of the projects and identify where support is needed
	Responsibilities of the eligible municipalities <ul style="list-style-type: none"> Develop and submit an EPWP project list to DPWI by 30 June 2022 Sign the standard funding agreement with DPWI agreeing to comply with the conditions of the grant before receiving any grant disbursement Agree on the areas requiring technical support from DPWI upon signing the grant agreement Ensure that reporting is done within the timelines stipulated in the grant agreement and that compliant information is captured in the EPWP reporting system Municipalities must maintain participant payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPWI for data quality assessment tests EPWP work opportunity reports must be captured on a monthly basis in order for progress to be assessed Submission of quarterly non-financial reports by the timelines stipulated in the clauses of the Division of Revenue Act
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Municipalities must report performance on EPWP projects for the 2022/23 financial year by 31 October 2022 to be eligible for a grant allocation Municipalities must submit a signed EPWP integrated agreement and project list by 30 June 2023

TRANSPORT GRANTS

Public Transport Network Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 40)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> • To support the National Land Transport Act (Act No. 5 of 2009) and Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable, and affordable integrated municipal public transport network services
Grant purpose	<ul style="list-style-type: none"> • To provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that forms part of a municipal integrated public transport network (IPTN) and to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services
Outcome statements	<ul style="list-style-type: none"> • Improved public transport network infrastructure and services that function optimally and are safe, convenient, affordable, well managed and maintained • Public transport systems that are accessible to an increasing percentage of the population of urban municipalities and contribute to more spatially efficient urban areas
Outputs	<p>Network Operations Component</p> <ul style="list-style-type: none"> • Number of average weekday passenger trips carried on Public Transport Network Grant (PTNG) funded networks • Number and percentage of municipal households within a 500m walk to an integrated public transport network (IPTN) station or stop that has a minimum peak period frequency of 15 minutes or better • Percentage uptime for network operating systems as a proportion of the network's public operating hours • Passengers per network vehicle per average weekday <p>Network Infrastructure Component</p> <ul style="list-style-type: none"> • Public transport network infrastructure including dedicated lanes, routes and stops/shelters, stations, depots, signage and information displays, control centres and related information technology, fare systems and vehicles (if the national Department of Transport (DoT) in consultation with National Treasury approves use of grant funds to purchase vehicles), non-motorised transport (NMT) infrastructure that supports network integration (e.g. sidewalks, cycleways, cycle storage at stations, etc.) • Plans and detailed design related to IPTN infrastructure and operations <p>Response to COVID-19 pandemic</p> <ul style="list-style-type: none"> • Number of vehicles sanitised • Number of public transport facilities sanitised • Number of hand-washing facilities installed • Litres of sanitiser and disinfectant procured • Number of temperature scanners procured • Number of public transport drivers provided with personal protective equipment (per equipment type) • Number of frontline public transport workers provided with personal protective equipment (per equipment type, per category of workers)
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses IPTN operational and related plans that include financial modelling
Conditions	<ul style="list-style-type: none"> • Projects must be based on, and form part of, a strategic, municipal wide, long-term IPTN plan and strategy approved by the municipal council • Projects funded by this grant must be based on an operational and business plan, which must include a multi-year financial operational plan approved by the municipal council. This multi-year financial operational plan must cover the full duration of any contracts for each phase funded by the PTNG and include operating and maintenance costs and universal design access plans • Projects must support an integrated multi-modal network approach as defined in the National Land Transport Act (NLTA) and the Public Transport Strategy and municipalities must manage operations to progressively achieve the standard of service defined in the Public Transport Strategy within available resources • Projects should follow an environmental strategy and consider energy efficiency and environmental aspects, such as emission standards; mandatory specifications regarding average fleet emissions should be considered • The first tranche is subject to submission of milestones in terms of the template determined by DoT by 27 May 2022 or within seven working days upon adoption/approval by the municipal council, as part of the annual budget appropriation • Subsequent payments will be conditional on the attainment of previously funded milestones as specified in the grant allocation letter to each municipality from the DoT. Milestones are based on the approved IPTN operational plans of cities and are defined after consultation with municipalities • All public transport infrastructure and services funded through this grant must ensure that there is provision for the needs of special categories of passengers (including disabled, elderly, and pregnant passengers) in line with the requirements of section 11(c)(xiv) of the NLTA • Allocations for this grant are made to fund the development, implementation, and operations for specific network phase(s) through two components, with separate conditions applicable to each component as set out in the allocation criteria section below

Public Transport Network Grant	
	<ul style="list-style-type: none"> • Allocations for the Network Operations Component will be determined by DoT once municipalities submit an annual operations plan including financial forecasts for 2022/23 by 27 May 2022 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 • The second tranche is subject to cities submitting, by 29 July 2022, 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 2022/23 grant funds will be spent • All new intelligent transport solutions (ITS) related contracts that will incur grant expenditure must be jointly approved by DoT and National Treasury before grant funds may be spent on them • An amount of R335 million in 2022/23 is allocated to the City of Cape Town, as per the revised cash flow schedule, through the Budget Facility for Infrastructure (BFI) for MyCiti Phase 2A and may only be used for that purpose. Should there be cost variations of more than 10 per cent on the BFI funded project, the municipality is required to inform National Treasury and the transferring officer within 30 days • To ensure efficient usage of grant funds, the DoT can instruct that municipalities utilise national transversal appointments for IPTN related items such as professional services, vehicles and information technology including automated fare collection and vehicle tracking, where such contracts exist. For this purpose, up to 5 per cent of a municipality's allocation shall be ringfenced for payment by the relevant municipality where the transferring officer deems it necessary <p>Network Operations Component</p> <ul style="list-style-type: none"> • Operating subsidies from this component can fund security, station management, fare collection services, control centre operations, information and marketing, network management, insurance, compensation for the economic rights of existing operators and maintenance of infrastructure and systems • From the start of operations, IPTN systems must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any Public Transport Operations Grant contributions. These direct operating costs consist of fuel, labour, operator administration and vehicle maintenance • From the start of operations on a route, the grant can fund a portion of the per kilometre rate to subsidise up to 100 per cent of the capital cost (including interest and related fees) of vehicles purchased by the vehicle operating company • IPTN operational plans and on-going operations management must target improved farebox cost coverage, through minimising costs and maximising fare revenues. Municipalities operating network services are required to supply detailed operating performance and operating cost and revenue reports quarterly in the formats prescribed by the DoT • Operating subsidies for any new or existing service, line, route, or phase, will only be transferred after a municipality meets the requirements of DoT's Operational Readiness Framework • Municipalities must enforce rules and by-laws regarding usage of dedicated lanes, fare payment, and operator/supplier compliance with contractual provisions • Municipalities are required to establish the specialist capacity to manage and monitor public transport system contracts and operations • Verified data on operator revenue and profitability and draft agreements for the compensation of existing economic rights of affected operators must be provided to DoT before concluding agreements on compensation for economic rights • Municipalities must enforce agreements that only legal operators operate on routes subject to compensation agreements <p>Network Infrastructure Component</p> <ul style="list-style-type: none"> • The grant can fund all IPTN-related infrastructure, including non-motorised transport, upgrades of existing public transport infrastructure and new infrastructure • Municipalities must demonstrate in their IPTN operational plans that they have attempted to give maximum priority to public and non-motorised transport while minimising costs through using existing infrastructure, road space and public land • For each phase, final network routing, service design and related financial modelling must be submitted to DoT for review and approval before municipalities proceed with detailed infrastructure design • IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations) • Contracted operators should finance and own vehicles unless a case for the exceptional use of limited infrastructure funding for vehicle procurement is approved by DoT, in consultation with National Treasury. If approval is granted, any vehicles purchased with grant funds must remain the property of the municipality • To respond to the COVID-19 pandemic, municipalities may request approval from the DoT to use up to 25 per cent of their allocations for the sanitisation of public transport facilities, including the provision of personal protective equipment for public transport workers, hand washing facilities and provisions for physical distancing • Municipalities must report separately on COVID-19 expenditure, in their reports submitted in terms of section 12 of the Division of Revenue Act
Allocation criteria	<ul style="list-style-type: none"> • Allocations are only made to municipalities that submit business plans in line with the above conditions, that demonstrate sufficient capacity to implement and operate any proposed projects, and credibly demonstrate the long-term fiscal and financial sustainability of the proposed projects

Public Transport Network Grant	
	<ul style="list-style-type: none"> • 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"> ○ size of population ○ size of economy ○ number of public transport users • 20 per cent of available funds are allocated through a base component shared equally between participating municipalities • 5 per cent of available funds are allocated as a performance incentive to operating municipalities based on the following three indicators (with a minimum threshold that will be revised upwards periodically): <ul style="list-style-type: none"> ○ coverage of costs from farebox: fare revenue as a percentage of direct operating costs, which indicates a commitment to reducing operational costs, and is a measure of efficiency. The minimum threshold is 35 per cent ○ passenger trips: average weekday passenger trips as a percentage of the population. This indicates coverage of the system, in providing the services to residents. The minimum threshold is 1 per cent. The city should be operating for at least two months ○ skin in the game: city own funding as a percentage of the city's total property rates used towards funding the IPTN construction and operation. This is a measure of the cities' commitment to the system. The minimum threshold is 2 per cent • To be eligible for the incentive, municipalities must have spent at least 80 per cent of their PTNG allocation from the preceding year and exceed the minimum threshold in at least one of the three indicators • The information used for the incentive comes from cities' multi-year financial plans. If this information exceeds the audited numbers by more than 5 per cent, this will be corrected in the subsequent financial year by reducing the city's allocation by the amount that is over the amount the city would have received if calculations were based on the audited numbers • Allocations for the Network Operations Component are based on municipalities' Annual Operations Plans (to be submitted to DoT by 27 May 2022) which indicate the amount of the 2022/23 total allocation to be used within the rules of this component • Approval of these allocations is specified in the DoT allocation letter to municipalities and is based on the following rules: <ul style="list-style-type: none"> ○ DoT approval of the annual operations plan ○ the annual operations plan must be costed to meet specific operating targets per network phase to be achieved within the 2022/23 financial year to qualify for eligibility into the 2023/24 formula ○ the network operations component can be used in each phase and sub-phase of the introduction of services to fund up to 70 per cent of indirect operating costs for two years after the municipal financial year in which operations start. Thereafter the grant can fund up to 50 per cent. Non-PTNG sources must cover the remaining costs ○ compensation for the economic rights of existing operators can be funded up to 100 per cent in each phase
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • Infrastructure and operational costs associated with the implementation of the Public Transport Strategy and NLTA were not included in municipal budgets before the introduction of IPTN services
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • R4.4 billion was allocated and transferred to the respective municipalities implementing IPTN programmes. Of this amount R3.9 billion was spent, equivalent to 89 per cent expenditure <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • Cape Town: Dunoos construction is ongoing - 1.5 kilometres of bi-directional roadway constructed, and 37 kilometres of cycling lane or walkway constructed; average of 40 973 weekday passenger trips; average of 208 weekday passengers per network vehicle • Ekurhuleni: Cumulatively 9 closed stations constructed; 32 other stops constructed; 1 control center and 6 kilometers of cycling lane or walkway constructed; average of 10 343 passenger journeys and average of 81.94 weekday passengers per network vehicle • eThekweni: 4 stations in Corridor 1 and 7 kilometres constructed; 0.9 kilometres of 14.5 kilometres in Corridor 9 constructed • George: 6 stops with shelters; 1 control centre and 86 kilometres of cycling lane or walkway constructed; average of 11 566 passenger journeys and average of 188 weekday passengers per network vehicle • Johannesburg: 98 percent completion of 17.2 kilometres new median bus lanes; 93 percent completion of Watt/Alex interchange. Selby Depot phase 2B at 81 percent completion and Selby Depot phase 2C is at 75 percent; 90 percent completion of Alex Depot phase 1; Park Station low floor station at 28 percent completion. Watt Station at 68 percent completion. Con Hill at 60 percent completion; average of 33 032 passenger journeys and average of 120.5 weekday passengers per network vehicle • Mangaung: 7.5 kilometres of bi-directional roadway constructed and 1 depot constructed and is 87 percent complete; construction of the Fort Hare Trunk Route Section 2 is 82 percent complete; construction of the Chief Moroka link is 95 percent complete; construction of the Moshoeshoe trunk route part A is 63 percent complete; construction of the Moshoeshoe trunk route Part B is 52 percent complete; construction of the bus depot phase 1 civil works is 70 percent complete • Nelson Mandela Bay: Construction of the Stanford Rd/N2 bridge widening and pedestrian crossing is 100 percent complete; construction of route shelters is 80 percent complete; construction of bus embayment is 100 percent complete; upgrade/construction of sidewalks is 100 percent complete; maintenance/resurfacing of

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	<p>IPTS trunk and feeder routes is 100 complete; average of 2 115 weekday passenger journeys and average of 70.25 weekday passengers per network vehicle</p> <ul style="list-style-type: none"> • Polokwane: Construction of civil works at the layover facility is complete; continuation of depot civil works is 30 percent complete; trunk at 25 percent completion and station at 30 percent completion; renovation of day-time layover facility buildings is 98 percent complete; development and testing of 5 x 9-meter buses is 90 percent complete; upgrading of the public transport facilities is 95 percent complete: AFC and PTMS installations on 21 x 12m buses, one-9-meter bus, layover facility and control centre is completed • Rustenburg: 4 kilometres bi-directional roadway constructed; 2 closed stations constructed and 20 kilometres cycling lane or walkway constructed; funding model and the delivery of 10 buses for phase 1A is 100 percent completed; 100 percent of the bus deposit paid; turn-around facility and depot are 35 percent complete; progress on the interim service agreement negotiations is at 65 percent; station construction is 59 percent complete • Tshwane: Line 2B: Lynnwood Road design reviews are 98 percent complete; Capital Park bridges are 97 percent complete; Wonderboom civil and bulk earthworks is 100 complete; building works for Wonderboom intermodal facility is 39 percent complete; progress on the Belle Ombre Phase 2 is at 48 percent; average of 23 017 weekday passenger journeys and average of 137.8 weekday passengers per network vehicle
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R6 billion; 2023/24: R6.7 billion and 2024/25: R7.7 billion
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with an agreed payment schedule approved by the National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Disburse PTNG funds and monitor PTNG expenditure • Monitor IPTN implementation progress and operating performance in line with the NLTA and the public transport strategy • Verify reports from municipalities by conducting at least one site visit per annum • Allocate funds based on stated priorities through an allocation mechanism agreed to by the DoT and National Treasury • Review and comment on draft compensation agreements for economic rights • Review and comment on the network model submitted by each municipality • Evaluate the performance of the grant annually • Maintain the database of operational performance based on the indicators and continue to track, report, and evaluate the performance of the grant based on these measures • Finalise the public transport subsidy policy for South Africa • Develop cost norms for ITS and include these in the annual PTNG guidelines and requirements circulated to municipalities by DoT • Submit copies of allocation letters and milestones to the National Treasury • Review the Public Transport Strategy to ensure its requirements enable municipalities to develop fiscally sustainable IPTN systems • Implement internal mechanisms to monitor adherence to grant conditions and manage the disbursements of the grant where there is non-compliance. Measures to address non-compliance include withholding transfers, as provided for in section 17 of the Division of Revenue Act (DoRA). If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of sections 18 and 19 of DoRA • DoT must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 10 of the DoRA and must share these reports with the National Disaster Management Centre
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Ensure that projects are implemented in line with approved business plans and are also reflected in the integrated development plan of the municipality. Additional plans that municipalities will need to complete include: <ul style="list-style-type: none"> ○ network operational plans, including universal design access plans ○ business and financial plans (including financial modelling, economic evaluation, and operator transition plans) ○ institutional network management plans ○ engineering and architectural preliminary and detailed designs ○ public transport vehicle and technology plans ○ marketing and communication plans • Projects funded by this grant must promote the integration of the public transport networks in a municipality, through: <ul style="list-style-type: none"> ○ physical integration between different services within a single network ○ fare integration between different services ○ marketing integration with unified branding ○ institutional integration between the services ○ spatial integration, in conjunction with other grants directed at the built environment • Provide budget proposals for the PTNG funding that: <ul style="list-style-type: none"> ○ are based on sound operational and financial plans that cover direct vehicle company operating costs from local sources at a minimum

Public Transport Network Grant	
	<ul style="list-style-type: none"> ○ indicate the intended allocations between the network operations component and network infrastructure component ● Establish a dedicated project team to plan, manage and monitor infrastructure development and maintenance, as well as operations with an emphasis on optimising vehicle kilometres through full use of procured Intelligent Transport System tools ● Compile and submit data that indicates the efficiency and effectiveness of operational services in the formats and use the indicators defined by the DoT
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> ● Municipalities must submit business plans based on a fiscally and financially sustainable IPTN (or an agreed plan to compile this), supported by credible multi-year financial operational plans by 29 July 2022 which include plans for how all municipal owned bus services will be integrated into the 10-year IPTN programme ● DoT and National Treasury will jointly evaluate these plans – based on pre-determined criteria regarding financial and fiscal sustainability and sufficient capacity – for the municipality’s eligibility for an allocation in the 2023/24 financial year ● Municipalities that fail to pass the eligibility criteria will be informed by 26 August 2022 and may be asked to resubmit plans

Rural Roads Asset Management Systems Grant	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 40)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part B
Strategic goal	<ul style="list-style-type: none"> • Ensure efficient and effective investment in municipal roads through development of road asset management systems (RAMS), collection and analysis of data
Grant purpose	<ul style="list-style-type: none"> • To assist district municipalities to set up rural RAMS, and collect road, bridges and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa
Outcome statements	<ul style="list-style-type: none"> • Improved data on municipal roads to guide infrastructure maintenance and investments
Outputs	<ul style="list-style-type: none"> • Road condition data (paved and unpaved) as per prescribed Technical Methods for Highways (TMH-series) • Traffic data • Data on condition of structures (including bridges and culverts) as per prescribed Technical Methods for Highways (TMH 19 series) • Borrow Pit Management data • Safety assessments data • Prioritised project list for roads to inform Municipal Infrastructure Grant project selection
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • This grant uses Road Asset Management Business Plans which contain the following details: <ul style="list-style-type: none"> ○ network hierarchy ○ performance management framework ○ gap analysis ○ information systems ○ lifecycle planning ○ current and future demand ○ financial plan ○ monitoring ○ reviewing ○ plans for continual improvements including sharing data with local municipalities
Conditions	<ul style="list-style-type: none"> • Transfer of the first tranche is conditional on submission of an approved business plan by 27 May 2022 • Transfer of the second tranche is conditional on submission of evidence of engagements and sharing of data with local municipalities and compliance with monthly and quarterly signed report submissions to the national Department of Transport (DoT), and the relevant provincial roads authorities • Road authorities must conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road inventory data • District municipalities must provide local municipalities with validated information from the condition data collected to enable municipalities to identify and prioritise road maintenance requirements within their own budgets, to improve the condition and extend the lifespan of road infrastructure • For Road Infrastructure Strategic Framework for South Africa Class R1, R2 and R3 roads, data collection requirements are: <ul style="list-style-type: none"> ○ visual condition data not older than two years for pavements and five years for bridges ○ instrumental pavement data for roughness, rut depth and macro texture not older than two years ○ instrumental pavement data for structural strength not older than five years ○ traffic data not older than three years • For Road Infrastructure Strategic Framework for South Africa Class R4 and R5 roads, data requirements are: <ul style="list-style-type: none"> ○ visual condition data not older than three years for pavements and five years for bridges ○ instrumental pavement data for roughness, rut depth and macro texture not older than four years on paved roads only ○ traffic data not older than five years • All road condition data collected must be submitted to the national DoT, and the relevant provincial roads authorities by 30 September 2022 • This framework must be read in conjunction with the practice note as agreed to with the National Treasury • District municipalities must participate in grant management structures, including attending monthly and/or quarterly RRAMS progress as well as national meetings • A maximum of 5 per cent may be used for municipal costs incurred as part of coordination, project management and reporting by the district • District municipalities must appoint an independent assessor to assess a representative sample of all roads assessed (which is about 10 per cent of their assessed network) to confirm the correctness of the assessments made by the municipality • Municipalities must pass a council resolution in support of the technical assistance being provided • Grant funds may be spent on building the capacity of municipalities with respect to the purpose and outputs listed for this grant • Technical support to municipalities must include transfer of skills to municipal officials • Graduates must attend a Spatial Intelligence Data Science Course
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on the extent of road network and number of local municipalities within a district municipality
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> • This is a specific purpose grant mainly for the provision of systems to collect data on traffic and conditions of municipal roads and structures

Rural Roads Asset Management Systems Grant	
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> • Of the R108 million allocated and transferred to municipalities, 63 per cent was spent <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> • 35 957 kilometres of paved road network and 53 255 kilometres of unpaved road network were assessed • 13 853 structures identified by the programme in the district municipalities receiving the grant • 159 graduates were recruited into the programme
Projected life	<ul style="list-style-type: none"> • This grant continues until 2024/25, subject to review
MTEF allocations	<ul style="list-style-type: none"> • 2022/23: R115 million; 2023/24: R115 million and 2024/25: R121 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in accordance with the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Monitoring implementation of RAMS together with provincial road authorities • Data integrity will be checked by DoT and provincial road authorities • Provide guidance on sustainable RAMS operations and standards • Facilitate interaction between local municipalities and district municipalities in using RAMS outputs as guidance in municipal road infrastructure management • Management, monitoring and reporting of the programme • Agree on RAMP with participating municipalities • Coordinate with the National Treasury to ensure that the capacity building activities of the two departments are complimentary • Submit reports which are consistent with the reporting requirements in the 2022 Division of Revenue Act • Ensure that municipal road authorities conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road inventory data • DoT must support municipalities with planning and implementation of municipal roads projects in terms of the conditions, standards and specifications applicable to this sector <p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Municipalities must make provision to maintain RAMS after the lifespan of the grant • Municipalities must submit monthly reports that comply with the DoT and Treasury financial template as well as performance report by the 15th of every month • Submit completed quarterly performance report templates 30 days after the end of each quarter • Data for all rural roads to be updated within two years • Recruit unemployed youth, S3 experiential training students and young graduates • Ensure human capacity at municipalities for the operation of RAMS is built • Municipalities investing in roads infrastructure must utilise data from the rural RAMS where available, to identify and prioritise their investment on roads projects, including maintenance • Identify municipal officials that will be recipients of skills transfer and attend a Spatial Intelligence Data Science Course • Ensure that municipal officials participate actively in all activities funded through this grant • Ensure systems and practices developed through this grant are sustained as part of the operations of the municipality • Submit updated RAMS data in TMH 18 format by 27 May 2022
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> • District municipalities must submit a signed and approved Road Asset Management Plan (RAMP)/business plan to DoT by 31 May 2022 • RAMP must contain the following: <ul style="list-style-type: none"> ○ the extent of the road network in the municipality ○ the proportion of municipal roads with updated data captured on its RAMS ○ the condition of the network in the municipality ○ the maintenance and rehabilitation needs of the municipal road network ○ the status of the municipality's RAMS ○ status of institutionalisation of RAMS in the district municipality • TMH 22 RAMP guideline can be used as template • DoT together with provincial roads authorities will evaluate and approve the business plans and progress reports by 30 June 2022

WATER AND SANITATION GRANTS

Regional Bulk Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> Water and Sanitation (Vote 41)
Grant schedule	<ul style="list-style-type: none"> Schedule 5, Part B and Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> Facilitate achievement of targets for access to bulk water and sanitation through successful execution and implementation of bulk projects of regional significance
Grant purpose	<ul style="list-style-type: none"> To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance that connects water resources to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality To implement bulk infrastructure with a potential of addressing water conservation and water demand management (WC/WDM) projects or facilitate and contribute to the implementation of local WC/WDM projects that will directly impact on bulk infrastructure requirements
Outcome statements	<ul style="list-style-type: none"> Access to water supply enabled through regional bulk infrastructure Proper wastewater management and disposal enabled through regional wastewater infrastructure
Outputs	<ul style="list-style-type: none"> Number of regional bulk water and sanitation projects phases under construction Number of projects/project phases completed Number of households targeted to benefit from bulk water and sanitation supply Number of municipalities benefitting from bulk water and sanitation projects Number of job opportunities created through implementation of bulk infrastructure projects Number of households provided with water and sanitation through local source development
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> This grant uses approved implementation readiness studies (IRS) which include the following: <ul style="list-style-type: none"> inception/scoping report technical feasibility report preliminary designs and cost estimates Schedule 6, Part B projects are implemented through a memorandum of understanding (MoU) which contains cash flow, implementation milestones and specific funding conditions related to the project
Conditions	<ul style="list-style-type: none"> The Regional Bulk Infrastructure Grant (RBIG) is intended to fund the social component of regional bulk water and sanitation projects approved by the Department of Water and Sanitation (DWS), unless exemptions based on affordability are recommended by DWS and approved by National Treasury All identified projects must be referenced to and included in the municipal Integrated Development Plan (IDP) and Water Services Development Plans (WSDP) and show linkages to projects under the Municipal Infrastructure Grant (MIG) and/or the Water Services Infrastructure Grant (WSIG) Funds may only be used for drought relief interventions based on a business plan approved by DWS To respond to the COVID-19 pandemic: <ul style="list-style-type: none"> funds may be used to implement source development or bulk linkage projects to replace the need for water trucking municipalities must submit a separate business plan for this spending <p>Schedule 5, Part B allocations</p> <ul style="list-style-type: none"> Municipalities must spend grant funds in line with the IRS and detailed designs approved by DWS Municipalities must submit monthly financial and quarterly non-financial reports to DWS on stipulated dates Municipalities must have spent at least 85 per cent of 2021/22 transferred funds to qualify for the first tranche of 2022/23 Municipalities must spend at least 25 per cent of their first transfer by the end of September 2022 and comply with reporting provisions before the second transfer is made Municipalities must spend at least 40 per cent of their total RBIG allocations by 30 December 2022 before the subsequent transfer is made Municipalities must spend at least 50 per cent of their total RBIG allocations before the final transfer is made Grant funds must be reflected in the capital budget of the municipality All sources of funding for the cost of the project must be clearly outlined in the approved IRS <p>Schedule 6, Part B allocations</p> <ul style="list-style-type: none"> This grant can be used to build enabling infrastructure required to connect or protect water resources over significant distances with bulk and reticulation systems The financing plan with associated co-funding agreements must be in place prior to implementation of the project unless exemption to co-funding requirements has been approved by National Treasury All sources of funding for the full cost of the project must be outlined in the IRS and the MoU The IRS and MoU must be approved by DWS and endorsed through a council resolution of the benefiting municipality All projects must be implemented and transferred in line with the approved IRS and detailed designs
Allocation criteria	<ul style="list-style-type: none"> Projects are assessed individually, and allocations are made by DWS on a project basis, taking into account the following factors: <ul style="list-style-type: none"> demand and availability of water the overall infrastructure needs the strategic nature of the project socio-economic importance of an area

Regional Bulk Infrastructure Grant	
	<ul style="list-style-type: none"> ○ impact of the project ● This grant is only allocated to Water Services Authorities (local and district municipalities)
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> ● Regional bulk projects are closely linked to water resource planning and development, which is a DWS competency ● Projects may cross municipal boundaries
Past performance	<p>2020/21 audited financial outcome</p> <ul style="list-style-type: none"> ● Of the budget allocation (Schedule 5, Part B) of R2 billion, R2 billion (100 per cent) was transferred and R1.2 billion (64.4 per cent) was spent ● Of the revised budget allocation (Schedule 6, Part B) of R4.1 billion, R1.7 billion (41 per cent) was spent <p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> ● Eleven (11) projects and phases were completed: (1) Sebokeng Waste Water Treatment Works (WWTW) - phase 1 of 2; (2) Empuluzi/ Methula Regional Bulk Water System - phase 8 of 8; (3) Balfour WWTW - phase 2 of 3; (4) Brandvlei Bulk Water Supply (BWS) - Phase 1 of 1; (5) Britstown BWS - phase 1 of 2; (6) Maluti a Phofung - phase 3 of 4; (7) Graaff Reinet emergency Water Supply Scheme - phase 1 of 2 (groundwater); (8) Mafube BWS - phase 1; (9) Mantsopa BWS - phase 2 of 2; (10) Koster WWTW - Phase 1 of 1; and (11) Citrusdal WWTW ● 88 project phases were under construction
Projected life	<ul style="list-style-type: none"> ● This grant continues until 2024/25, subject to review
MTEF allocations	<p>Direct transfers (Schedule 5, Part B):</p> <ul style="list-style-type: none"> ● 2022/23: R2.5 billion; 2023/24: R2.9 billion and 2024/25: R2.8 billion <p>Allocations-in-kind (Schedule 6, Part B):</p> <ul style="list-style-type: none"> ● 2022/23: R3.5 billion; 2023/24: R3.6 billion and 2024/25: R3.8 billion
Payment schedule	<ul style="list-style-type: none"> ● Transfers for Schedule 5, Part B allocations are made in terms of a payment schedule approved by National Treasury ● Payments for Schedule 6, Part B allocations are made after verification of work performed
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> ● Support the development of Water Services Authorities' (WSAs) water services infrastructure master plans ● Ensure every municipality benefiting from a specific project or scheme is invited to participate in the feasibility study, IRS and construction ● Enter into an MoU with WSAs regarding the construction, ownership, funding arrangements, and operation and maintenance of proposed infrastructure prior to the commencement of construction ● If required, ensure the necessary authorisations including environmental impact assessment and water use licences are obtained ● Ensure that the land assessment is done prior to project implementation ● Provide detailed information on the selection criteria and conditions for the grant (RBIG Programme Implementation Framework) ● Ensure that suitable agreements in terms of operation and maintenance are in place ● Issue project funding approval letters to benefiting municipalities ● Ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates ● Make payments of Schedule 6, Part B allocations to DWS's contracted implementing agents based on invoices for work done ● Report separately on the use of funds for COVID-19 response, in line with the requirements of section 10 of the 2022 Division of Revenue Act and share this information with the National Disaster Management Centre <p>Responsibilities of water services authorities</p> <ul style="list-style-type: none"> ● Develop and regularly update water services infrastructure master plans ● Submit monthly, quarterly and annual progress reports to DWS ● Ensure that projects are appropriately linked to the municipality's water services infrastructure master plans, their IDP and WSDP and projects funded through the MIG and WSIG ● Once a project is completed, ensure adherence to operations and maintenance plans and/or any other requirements agreed to as part of the funding agreement contained in the MoU, and ensure the sustainability of infrastructure ● Ensure integration of planning, funding, timing and implementation of bulk and reticulation projects ● Ensure provision of reticulation services and/or reticulation infrastructure to connect to the bulk infrastructure funded through this grant
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> ● Due to the long-term nature of projects, dates of the various processes are not fixed ● All proposed projects which comply with the RBIG criteria must be registered and listed in DWS's bulk master plans ● At regional level, a coordination committee of key stakeholders to assist with planning of regional bulk projects and the assessment of the IRS and feasibility studies must be in place ● Pre-feasibility studies must assess potential for WC/WDM interventions ● IRS and feasibility studies will be evaluated and approved by the transferring officer ● Based on the outcome of the IRS, DWS will nominate the implementing agent for the construction phase of Schedule 6, Part B projects and designate the owner of the infrastructure. National Treasury and benefiting municipalities will be informed of the decisions ● Projects requiring co-funding exemptions to be submitted to DWS by 29 July 2022 and DWS to submit the requests to National Treasury by 31 August 2022

Water Services Infrastructure Grant	
Transferring department	<ul style="list-style-type: none"> • Water and Sanitation (Vote 41)
Grant schedule	<ul style="list-style-type: none"> • Schedule 5, Part B and Schedule 6, Part B
Strategic goal	<ul style="list-style-type: none"> • To provide water and sanitation services and reduce backlogs
Grant purpose	<ul style="list-style-type: none"> • Facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities • Provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development • Support municipalities in implementing water conservation and water demand management (WC/WDM) projects • Support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas • Support drought relief projects in affected municipalities
Outcome statements	<ul style="list-style-type: none"> • An increased number of households with access to reliable, safe drinking water and sanitation services
Outputs	<ul style="list-style-type: none"> • Number of households provided with water and sanitation through: <ul style="list-style-type: none"> ○ reticulated water supply ○ on site sanitation ○ bucket systems replaced with appropriate sanitation facilities for households identified by the Department of Water and Sanitation (DWS) in the 2015/16 verification process ○ source identification ○ water conservation/water demand management provision • Number of Water Services Infrastructure Grant (WSIG) projects under construction • Number of WSIG projects completed • Number of households reached by health and hygiene awareness and end-user education • Number of job opportunities created through implementation of water and sanitation projects
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Priority 5: Spatial integration, human settlements and local government
Details contained in the business plan	<ul style="list-style-type: none"> • Outcome indicators • Project overview • Project costing • Project milestones • Impact declaration • Schedule 6, Part B projects are implemented through a memorandum of understanding (MoU) which contains cash flow, implementation milestones and specific funding conditions related to the project
Conditions	<ul style="list-style-type: none"> • All project scope funded must be aligned to and not duplicate, any existing or planned projects funded by other conditional grants or municipal own funds • Municipalities must demonstrate in their business plans how they plan to manage, operate and maintain the infrastructure over the long term • The maximum allocation for WSIG projects is R50 million, any project above this threshold is to be funded in the Regional Bulk Infrastructure Grant • Projects should ideally be implemented over a year and the maximum period that a project can be implemented is three years • Projects must be aligned to bulk infrastructure and must be at the scheme level <p>Schedule 5, Part B allocations</p> <ul style="list-style-type: none"> • Municipalities must submit business plans signed-off by their accounting officer in line with their Water Services Development Plans (WSDPs) and Integrated Development Plans (IDPs) • DWS must approve the business plans before projects can be implemented • If available, business plans must consider the results of the green drop assessments in prioritising projects • Water Service Authorities (WSAs) may only spend funds in line with approved business plans • Municipalities must have spent at least 85 per cent of 2021/22 transferred funds to qualify for the first tranche of 2022/23 • Municipalities must spend at least 25 per cent of their first transfer and comply with the reporting provisions before the second and subsequent transfers are made • Municipalities must spend at least 40 per cent of their total WSIG transferred allocation by 30 December 2022 and comply with the reporting provisions before further transfers are made • WSAs must submit monthly financial and quarterly non-financial reports to DWS • Funds must be reflected in the capital budget of the municipality • Grant funds must not be spent on operations and routine maintenance • The Project Management Unit funded through the Municipal Infrastructure Grant should be utilised to manage the implementation of projects funded through this grant • Funds may only be used for drought relief interventions based on a plan approved by DWS <p>Schedule 6, Part B allocations</p> <ul style="list-style-type: none"> • Municipal accounting officers must sign-off that business plans are in line with their WSDP/IDP • DWS must approve the business plans before projects can be implemented • If available, business plans must consider the results of the green drop assessments in prioritising projects • DWS must enter into an MoU with the relevant municipality before any project is implemented
Allocation criteria	<ul style="list-style-type: none"> • Allocations are based on the number of households with water and sanitation backlogs, prioritising the 27 priority district municipalities identified by government

Water Services Infrastructure Grant	
Reasons not incorporated in equitable share	<ul style="list-style-type: none"> The grant is earmarked for specific projects aimed at providing access to basic water and sanitation services
Past performance	<p>2020/21 audited financial outcomes</p> <ul style="list-style-type: none"> Water Services Infrastructure Grant (Schedule 5, Part B): <ul style="list-style-type: none"> of the the revised busget allocation of R3.4 billion, R3.4 billion (100 per cent) was transferred and R2.5 billion (75 per cent) was spent Water Services Infrastructure Grant (Schedule 6, Part B): <ul style="list-style-type: none"> of the revised budget allocation of R591 million, R453 million (77 per cent) was spent
	<p>2020/21 service delivery performance</p> <ul style="list-style-type: none"> 106 454 households served 347 jobs created
Projected life	<ul style="list-style-type: none"> This grant continues until 2024/25, subject to review
MTEF allocations	<p>Direct transfers (Schedule 5, Part B):</p> <ul style="list-style-type: none"> 2022/23: R3.7 billion; 2023/24: R3.9 billion and 2024/25: R4 billion <p>Allocations-in-kind (Schedule 6, Part B):</p> <ul style="list-style-type: none"> 2022/23: R771 million; 2023/24: R805 million and 2024/25: R841 million
Payment schedule	<ul style="list-style-type: none"> For Schedule 5, Part B, transfers are made in accordance with a payment schedule approved by National Treasury For Schedule 6, Part B, payments are made to contracted implementing agents (including water boards and private service providers) after verification of work performed
Responsibilities of the transferring officer and receiving officer	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> Evaluate and approve the business plans for each project before funds can be transferred Ensure that the conditions of the grant and approved business plans are adhered to Ensure that, if available, the results of the green drop assessments are considered in the planning and prioritisation of projects Submit statutory reports (monthly financial, quarterly non-financial and annual performance) to National Treasury Ensure that implementing agents submit monthly financial and quarterly non-financial reports Ensure alignment of WSIG projects with projects approved in the MIG implementation plans In cases where DWS appoints a contractor, the contract between DWS and the appointed contractor must be signed before the project can commence All drought-related plans and expenditure must be shared with the National Disaster Management Centre Submit a water services capacity building plan for municipalities to National Treasury by 24 June 2022 Report separately on the use of funds for COVID-19 response, in line with the requirements of section 10 of the 2022 Division of Revenue Act and share this information with the National Disaster Management Centre
	<p>Responsibilities of water services authorities</p> <ul style="list-style-type: none"> Compile and submit signed-off business plans for each project (for the relevant financial year) Sustainably operate and maintain funded water and sanitation projects over their lifetime Ensure integrated planning for all projects funded through the different grants and programmes Municipalities must submit a technical report for each project to the regional office Ensure adequate participation and involvement of the public in each project Ensure that, if available, the results of the green drop assessments are considered in the planning and prioritisation of projects Manage project implementation in line with the business plan Submit monthly, quarterly and annual progress reports in the format prescribed by DWS Comply with all the funding conditions agreed to in the business plan and MoU
Process for approval of 2023/24 business plans	<ul style="list-style-type: none"> Municipalities must submit a technical report for each project to the regional office Regional offices must assess and approve technical reports Municipalities must prepare business plans based on the approved technical reports Business plans for Schedule 5, Part B allocations: <ul style="list-style-type: none"> business plans must be submitted by 30 October 2022 business plans must be approved by 31 January 2023 Business plans for Schedule 6, Part B allocations: <ul style="list-style-type: none"> business plans must be submitted by 30 October 2022 business plans must be approved by 31 January 2023 Municipalities must submit implementation plans by 27 May 2023

ANNEXURE W4

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

(National and Municipal Financial Years)

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

Category	Municipality	Infrastructure Skills Development Grant			Local Government Financial Management Grant			Expanded Public Works Programme Integrated Grant for Municipalities			Programme and Project Preparation Support Grant			SUB-TOTAL: CURRENT ¹		
		National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
EASTERN CAPE																
A	BUF	11 750	12 000	13 500	1 000	1 000	1 000	10 728	9 884	-	13 776	14 383	15 234	37 254	27 383	29 734
A	NMA	12 750	12 750	13 500	1 000	1 000	1 000	9 884	-	-	20 322	21 218	22 472	45 956	34 968	36 972
B	EC101	-	-	-	3 100	3 100	3 100	1 624	-	-	-	-	-	4 724	3 100	3 100
B	EC102	-	-	-	2 450	2 450	2 450	1 302	-	-	-	-	-	3 752	2 450	2 450
B	EC104	-	-	-	3 000	3 100	4 518	1 333	-	-	-	-	-	4 333	3 100	4 518
B	EC105	-	-	-	2 650	2 650	2 650	1 730	-	-	-	-	-	4 380	2 650	2 650
B	EC106	-	-	-	3 000	3 100	4 518	1 206	-	-	-	-	-	4 206	3 100	4 518
B	EC108	-	-	-	1 720	1 720	1 720	1 175	-	-	-	-	-	2 895	1 720	1 720
B	EC109	-	-	-	2 650	2 650	2 650	1 270	-	-	-	-	-	3 920	2 650	2 650
C	DC10	-	-	-	1 000	1 000	1 000	1 073	-	-	-	-	-	2 073	1 000	1 000
Total: Sarah Baartman Municipalities		-	-	-	19 570	19 770	22 606	10 713	-	-	-	-	-	30 283	19 770	22 606
B	EC121	-	-	-	1 720	1 770	1 770	3 498	-	-	-	-	-	5 218	1 770	1 770
B	EC122	-	-	-	1 850	1 900	1 900	2 015	-	-	-	-	-	3 865	1 900	1 900
B	EC123	-	-	-	2 450	2 450	2 450	1 050	-	-	-	-	-	3 500	2 450	2 450
B	EC124	-	-	-	2 200	2 200	2 200	1 568	-	-	-	-	-	3 768	2 200	2 200
B	EC126	-	-	-	3 100	3 100	3 100	2 060	-	-	-	-	-	5 160	3 100	3 100
B	EC129	-	-	-	2 850	2 850	2 850	2 838	-	-	-	-	-	5 688	2 850	2 850
C	DC12	-	-	-	1 200	1 250	2 668	4 999	-	-	-	-	-	6 199	1 250	2 668
Total: Amathole Municipalities		-	-	-	15 370	15 520	16 938	18 028	-	-	-	-	-	33 398	15 520	16 938
B	EC131	-	-	-	3 100	3 100	3 100	1 778	-	-	-	-	-	4 878	3 100	3 100
B	EC135	-	-	-	2 100	2 100	2 100	2 398	-	-	-	-	-	4 498	2 100	2 100
B	EC136	-	-	-	3 100	3 100	3 100	1 692	-	-	-	-	-	4 792	3 100	3 100
B	EC137	-	-	-	1 700	1 700	1 700	3 712	-	-	-	-	-	5 412	1 700	1 700
B	EC138	-	-	-	1 700	1 700	3 118	1 522	-	-	-	-	-	3 222	1 700	3 118
B	EC139	-	-	-	3 100	3 100	3 100	3 088	-	-	-	-	-	6 188	3 100	3 100
C	DC13	-	-	-	1 000	1 000	2 418	3 630	-	-	-	-	-	4 630	1 000	2 418
Total: Chris Hani Municipalities		-	-	-	15 800	15 800	18 636	17 820	-	-	-	-	-	33 620	15 800	18 636
B	EC141	-	-	-	1 650	1 700	1 700	2 539	-	-	-	-	-	4 189	1 700	1 700
B	EC142	-	-	-	1 650	1 700	1 700	1 658	-	-	-	-	-	3 308	1 700	1 700
B	EC145	-	-	-	2 200	2 200	2 200	1 352	-	-	-	-	-	3 552	2 200	2 200
C	DC14	-	-	-	1 500	1 500	1 500	1 314	-	-	-	-	-	2 814	1 500	1 500
Total: Joe Gqabi Municipalities		-	-	-	7 000	7 100	7 100	6 863	-	-	-	-	-	13 863	7 100	7 100
B	EC153	-	-	-	1 650	1 700	3 118	1 616	-	-	-	-	-	3 266	1 700	3 118
B	EC154	-	-	-	2 650	2 650	2 650	1 582	-	-	-	-	-	4 232	2 650	2 650
B	EC155	-	-	-	1 650	1 650	1 650	1 859	-	-	-	-	-	3 509	1 650	1 650
B	EC156	-	-	-	2 300	2 300	2 300	2 300	-	-	-	-	-	4 600	2 300	2 300
B	EC157	5 500	5 500	6 000	2 850	2 850	2 850	4 191	-	-	-	-	-	12 541	8 350	8 350
C	DC15	-	-	-	2 000	2 000	2 000	11 542	-	-	-	-	-	13 542	2 000	2 000
Total: O.R. Tambo Municipalities		5 500	5 500	6 000	13 100	13 150	14 568	23 090	-	-	-	-	-	41 690	18 650	20 568
B	EC441	-	-	-	1 650	1 700	1 700	4 810	-	-	-	-	-	6 460	1 700	1 700
B	EC442	-	-	-	2 100	2 100	1 720	3 352	-	-	-	-	-	5 072	1 720	1 720
B	EC443	-	-	-	2 650	2 650	2 650	3 687	-	-	-	-	-	5 787	2 650	2 650
B	EC444	-	-	-	1 950	1 950	1 950	2 794	-	-	-	-	-	5 444	1 950	1 950
C	DC44	5 500	5 500	6 000	1 950	1 950	1 950	9 337	-	-	-	-	-	16 787	7 450	7 450
Total: Alfred Nzo Municipalities		5 500	5 500	6 000	10 070	10 120	10 120	23 980	-	-	-	-	-	39 550	15 620	16 120
Total: Eastern Cape Municipalities		35 500	35 750	39 000	82 910	83 460	91 968	121 106	-	-	34 098	35 601	37 706	273 614	154 811	168 074

ANNEXURE W4

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

Category	Municipality	Infrastructure Skills Development Grant				Local Government Financial Management Grant				Expanded Public Works Programme Integrated Grant for Municipalities				Programme and Project Preparation Support Grant				SUB-TOTAL: CURRENT ¹					
		2023/24 (R'000)		2024/25 (R'000)		2022/23 (R'000)		2023/24 (R'000)		2024/25 (R'000)		2022/23 (R'000)		2023/24 (R'000)		2024/25 (R'000)		2022/23 (R'000)		2023/24 (R'000)		2024/25 (R'000)	
FREE STATE																							
A	MAN Mangang	-	-	-	-	2 100	2 200	2 200	2 200	-	1 566	-	-	-	-	13 673	14 276	15 120	-	-	17 339	16 476	17 320
B	FSI61 Letsameg	-	-	-	-	3 000	3 000	3 000	3 000	-	1 073	-	-	-	-	-	-	-	-	-	4 073	3 000	3 000
B	FSI62 Kopanang	-	-	-	-	2 300	2 300	2 300	2 300	-	1 204	-	-	-	-	-	-	-	-	-	3 504	2 300	2 300
B	FSI63 Mthokare	-	-	-	-	3 000	3 000	3 000	3 000	-	1 073	-	-	-	-	-	-	-	-	-	4 073	3 000	3 000
C	DC16 Xhariep District Municipality	-	-	-	-	1 720	1 720	1 720	1 720	-	1 120	-	-	-	-	-	-	-	-	-	2 840	1 720	1 720
	Total: Xhariep Municipalities	-	-	-	-	10 020	10 020	10 020	10 020	-	4 470	-	-	-	-	-	-	-	-	-	14 490	10 020	10 020
B	FSI181 Masiloayana	-	-	-	-	2 650	2 650	2 650	2 650	-	1 295	-	-	-	-	-	-	-	-	-	3 945	2 650	2 650
B	FSI182 Tlokologo	-	-	-	-	3 000	3 000	3 000	3 000	-	1 073	-	-	-	-	-	-	-	-	-	4 073	3 000	3 000
B	FSI183 Tsoelopele	-	-	-	-	2 100	2 100	2 100	2 100	-	1 141	-	-	-	-	-	-	-	-	-	3 241	2 100	2 100
B	FSI184 Matjhabeng	-	-	-	-	3 100	3 100	3 100	3 100	-	5 191	-	-	-	-	-	-	-	-	-	8 291	3 100	3 100
B	FSI185 Nala	-	-	-	-	3 100	3 100	3 100	3 100	-	1 398	-	-	-	-	-	-	-	-	-	4 498	3 100	3 100
C	DC18 Letlapeleswana District Municipality	-	-	-	-	1 000	1 000	1 000	1 000	-	1 265	-	-	-	-	-	-	-	-	-	2 265	1 000	1 000
	Total: Letlapeleswana Municipalities	-	-	-	-	14 950	14 950	14 950	14 950	-	11 363	-	-	-	-	-	-	-	-	-	26 313	14 950	14 950
B	FSI191 Sesoato	-	-	-	-	2 200	2 200	2 200	2 200	-	2 188	-	-	-	-	-	-	-	-	-	4 388	2 200	2 200
B	FSI192 Dhlalabeng	-	-	-	-	2 750	2 750	2 750	2 750	-	5 591	-	-	-	-	-	-	-	-	-	8 341	2 750	2 750
B	FSI193 Nletsoana	-	-	-	-	2 850	2 850	2 850	2 850	-	1 073	-	-	-	-	-	-	-	-	-	3 923	2 850	2 850
B	FSI194 Maitse-a-Phofung	-	-	-	-	3 100	3 100	3 100	3 100	-	6 165	-	-	-	-	-	-	-	-	-	9 265	3 100	3 100
B	FSI195 Phumelela	-	-	-	-	3 100	3 100	3 100	3 100	-	1 130	-	-	-	-	-	-	-	-	-	4 230	3 100	3 100
B	FSI196 Mantsope	-	-	-	-	3 100	3 100	3 100	3 100	-	1 337	-	-	-	-	-	-	-	-	-	4 437	3 100	3 100
C	DC19 Thabo Mofutsanyana District Municipality	-	-	-	-	2 300	2 300	2 300	2 300	-	5 356	-	-	-	-	-	-	-	-	-	7 656	2 300	2 300
	Total: Thabo Mofutsanyana Municipalities	-	-	-	-	19 400	19 400	19 400	19 400	-	22 840	-	-	-	-	-	-	-	-	-	42 240	19 400	19 400
B	FS201 Mophaka	-	-	-	-	2 300	2 300	2 300	2 300	-	1 428	-	-	-	-	-	-	-	-	-	3 728	2 300	2 300
B	FS203 Ngwabe	-	-	-	-	3 100	3 100	3 100	3 100	-	2 240	-	-	-	-	-	-	-	-	-	5 340	3 100	3 100
B	FS204 Meisimbabo	-	-	-	-	2 750	2 750	2 750	2 750	-	1 523	-	-	-	-	-	-	-	-	-	4 273	2 750	2 750
B	FS205 Maifabe	-	-	-	-	3 100	3 100	3 100	3 100	-	-	-	-	-	-	-	-	-	-	-	3 100	3 100	3 100
C	DC20 Fegizle Dabi District Municipality	-	-	-	-	1 300	1 300	1 300	1 300	-	1 277	-	-	-	-	-	-	-	-	-	2 577	1 300	1 300
	Total: Fegizle Dabi Municipalities	-	-	-	-	12 550	12 550	12 550	12 550	-	6 668	-	-	-	-	-	-	-	-	-	19 018	12 550	12 550
	Total: Free State Municipalities	-	-	-	-	59 020	59 120	59 120	59 120	-	46 707	-	-	-	-	13 673	14 276	15 120	-	-	119 400	73 396	74 240
GAUTENG																							
A	EKU City of Ekurhuleni	-	-	-	-	1 000	1 000	1 000	1 000	-	24 041	-	-	-	-	56 064	58 535	61 996	-	-	81 105	59 535	62 996
A	JHB City of Johannesburg	6 000	6 000	7 000	7 000	1 000	1 000	1 000	1 000	-	7 700	-	-	-	78 225	81 673	81 145	-	-	92 925	88 673	89 145	
A	TSH City of Tshwane	-	-	-	-	2 200	2 200	2 200	2 200	-	15 496	-	-	-	51 532	53 803	56 984	-	-	69 228	56 003	59 184	
B	GH421 Emfuleni	-	-	-	-	2 200	2 200	2 200	2 200	-	1 799	-	-	-	-	-	-	-	-	-	3 999	2 200	2 200
B	GH422 Midwal	-	-	-	-	1 550	1 550	1 550	1 550	-	2 533	-	-	-	-	-	-	-	-	-	4 103	1 550	1 550
B	GH423 Lesedi	-	-	-	-	1 950	1 950	1 950	1 950	-	1 228	-	-	-	-	-	-	-	-	-	3 178	1 950	1 950
C	DC42 Sediberg District Municipality	-	-	-	-	1 400	1 400	1 400	1 400	-	1 283	-	-	-	-	-	-	-	-	-	2 683	1 400	1 400
	Total: Sediberg Municipalities	-	-	-	-	7 100	7 100	7 100	7 100	-	6 863	-	-	-	-	-	-	-	-	-	13 963	7 100	7 100
B	GH481 Mogale City	-	-	-	-	1 650	1 700	1 700	1 700	-	8 123	-	-	-	-	-	-	-	-	-	9 773	1 700	1 700
B	GH484 Marikang City	-	-	-	-	2 850	2 850	2 850	2 850	-	1 062	-	-	-	-	-	-	-	-	-	3 912	2 850	2 850
B	GH485 Rand West City	-	-	-	-	2 300	2 300	2 300	2 300	-	3 878	-	-	-	-	-	-	-	-	-	6 178	2 300	2 300
C	DC48 West Rand District Municipality	-	-	-	-	1 200	1 200	1 200	1 200	-	1 231	-	-	-	-	-	-	-	-	-	2 431	1 200	1 200
	Total: West Rand Municipalities	-	-	-	-	8 000	8 050	8 050	8 050	-	14 284	-	-	-	-	-	-	-	-	-	22 284	8 050	8 050
	Total: Gauteng Municipalities	6 000	6 000	7 000	7 000	19 300	19 250	19 250	19 250	-	68 384	-	-	-	188 921	194 011	200 125	-	-	279 505	219 361	226 475	

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: CURRENCY ¹		
	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)	
LIMPOPO											
B	-	-	-	2 400	2 400	4 035	-	-	6 435	2 400	2 400
B	-	-	-	2 000	2 000	2 139	-	-	4 139	2 000	2 000
B	-	-	-	2 000	2 000	8 065	-	-	10 065	2 000	2 000
B	-	-	-	3 100	3 100	1 186	-	-	4 286	3 100	3 100
B	-	-	-	1 850	1 850	1 246	-	-	3 096	1 850	1 850
C	-	-	-	3 000	3 000	10 600	-	-	13 600	3 000	3 000
Total: Mpumali Municipalities	-	-	-	14 350	14 350	27 271	-	-	41 621	14 350	14 350
B	-	-	-	3 000	3 000	1 390	-	-	4 390	3 000	3 000
B	5 250	5 500	-	1 650	1 700	4 864	-	-	11 764	7 500	7 500
B	-	-	-	1 950	1 950	3 359	-	-	5 209	1 950	1 950
B	-	-	-	2 550	2 550	1 759	-	-	4 309	2 550	2 550
C	-	-	-	3 000	3 000	4 754	-	-	7 754	3 000	3 000
Total: Vhembe Municipalities	5 250	5 500	-	12 150	12 200	16 626	-	-	33 426	17 700	17 700
B	-	-	-	2 400	2 400	1 950	-	-	4 350	2 400	2 400
B	-	-	-	2 300	2 300	1 407	-	-	3 707	2 300	2 300
B	6 000	6 000	-	2 400	2 400	11 570	-	-	19 970	8 400	8 400
B	-	-	-	2 000	2 000	1 380	-	-	3 380	2 000	2 000
C	-	-	-	1 000	1 000	3 747	-	-	4 747	1 000	1 000
Total: Capricorn Municipalities	6 000	6 000	-	10 100	10 100	20 654	-	-	36 154	16 100	16 100
B	-	-	-	3 100	3 100	1 256	-	-	4 356	3 100	3 100
B	-	-	-	1 650	1 700	1 292	-	-	2 942	1 700	1 700
B	-	-	-	1 650	1 700	1 502	-	-	3 152	1 700	1 700
B	-	-	-	2 100	2 100	3 518	-	-	3 761	2 100	2 100
B	-	-	-	2 650	2 650	2 041	-	-	4 691	2 650	2 650
C	-	-	-	1 000	1 000	1 000	-	-	1 000	1 000	1 000
Total: Waterberg Municipalities	-	-	-	12 150	12 250	7 252	-	-	19 402	12 250	12 250
B	-	-	-	3 100	3 100	1 310	-	-	4 410	3 100	3 100
B	-	-	-	2 850	2 850	1 796	-	-	4 646	2 850	2 850
B	-	-	-	1 720	1 720	1 925	-	-	3 645	1 720	1 720
B	-	-	-	2 550	2 550	1 285	-	-	3 835	2 550	2 550
C	-	-	-	2 400	2 400	13 010	-	-	15 410	2 400	2 400
Total: Sekhukhune Municipalities	-	-	-	12 620	12 620	19 226	-	-	31 946	12 620	12 620
Total: Limpopo Municipalities	11 250	11 500	11 370	61 370	62 338	89 929	-	-	162 549	73 020	74 138
MPUMALANGA											
B	-	-	-	2 000	2 000	2 227	-	-	4 227	2 000	2 000
B	-	-	-	3 000	3 000	4 418	-	-	7 418	3 000	3 000
B	-	-	-	3 100	3 100	2 855	-	-	5 955	3 100	3 100
B	-	-	-	2 450	2 450	1 874	-	-	4 324	2 450	2 450
B	-	-	-	2 850	2 850	1 855	-	-	4 705	2 850	2 850
B	-	-	-	2 800	2 800	1 444	-	-	4 244	2 800	2 800
C	24 500	24 000	-	2 000	2 000	2 629	-	-	29 229	26 100	26 100
C	13 350	13 107	-	1 000	1 000	2 395	-	-	17 455	14 107	14 107
Total: Gert Sibande Municipalities	38 050	37 107	-	19 250	19 250	17 245	-	-	74 595	56 457	61 222
B	-	-	-	1 850	1 850	2 284	-	-	4 134	1 850	1 850
B	-	-	-	3 000	3 000	6 151	-	-	9 151	3 000	3 000
B	-	-	-	1 650	1 700	4 780	-	-	6 430	1 700	1 700
B	-	-	-	2 900	2 900	4 318	-	-	4 373	2 900	2 900
B	-	-	-	1 720	1 770	3 735	-	-	5 455	1 770	1 770
B	-	-	-	2 450	2 450	2 432	-	-	4 882	2 450	2 450
C	-	-	-	1 000	1 000	2 315	-	-	3 315	1 000	1 000
Total: Ntshongwe Municipalities	-	-	-	14 570	14 670	16 088	-	-	37 240	14 670	16 088
B	-	-	-	3 000	3 000	1 932	-	-	4 932	3 000	3 000
B	-	-	-	1 770	1 770	4 621	-	-	6 391	1 770	1 770
B	-	-	-	2 650	2 650	5 219	-	-	7 869	2 650	2 650
B	-	-	-	1 000	1 000	8 555	-	-	11 205	1 000	1 000
C	-	-	-	1 070	1 070	2 457	-	-	3 457	1 070	1 070
Total: Ehlanzeni Municipalities	-	-	-	11 070	11 070	22 784	-	-	33 854	11 070	11 070
Total: Mpumalanga Municipalities	38 050	37 107	44 940	48 690	49 344	63 199	-	-	146 189	82 197	83 380

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

Table with columns: 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, and Sub-TOTAL: CURRENT. Rows include Northern Cape, North West, and various municipalities like NCO01, NCO02, etc., with numerical values in R(000).

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 ¹		
	National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year			National and Municipal Financial Year		
	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
WESTERN CAPE															
A CPT City of Cape Town	11 446	11 000	12 500	1 000	1 000	1 000	42 406	-	-	65 970	68 877	72 950	120 822	80 877	86 650
B WC011 Matieland	-	-	-	1 771	1 771	1 771	1 569	-	-	-	-	-	3 340	1 771	1 771
B WC012 Cedarberg	-	-	-	2 132	2 132	2 132	1 359	-	-	-	-	-	3 491	2 132	2 132
B WC013 Bergvlei	-	-	-	1 550	1 550	1 550	1 550	-	-	-	-	-	3 212	1 550	1 550
B WC014 Saldanha Bay	-	-	-	1 550	1 550	1 550	2 907	-	-	-	-	-	4 457	1 550	1 550
B WC015 Swartland	-	-	-	1 550	1 550	1 550	1 873	-	-	-	-	-	3 423	1 550	1 550
C DC1 West Coast District Municipality	-	-	-	1 000	1 000	1 000	1 194	-	-	-	-	-	2 194	1 000	1 000
Total: West Coast Municipalities	-	-	-	9 553	9 553	9 553	10 564	-	-	-	-	-	20 117	9 553	9 553
B WC022 Wizenberg	-	-	-	1 550	1 550	1 550	2 237	-	-	-	-	-	3 787	1 550	1 550
B WC023 Drakenstein	-	-	-	1 550	1 550	1 550	4 139	-	-	-	-	-	5 689	1 550	1 550
B WC024 Stellenbosch	-	-	-	1 550	1 550	1 550	4 928	-	-	-	-	-	6 478	1 550	1 550
B WC025 Breede Valley	-	-	-	1 550	1 550	1 550	3 301	-	-	-	-	-	4 851	1 550	1 550
B WC026 Langeberg	-	-	-	1 550	1 550	1 550	2 647	-	-	-	-	-	4 197	1 550	1 550
C DC2 Cape Winelands District Municipality	-	-	-	1 000	1 000	1 000	1 369	-	-	-	-	-	2 369	1 000	1 000
Total: Cape Winelands Municipalities	-	-	-	8 750	8 750	8 750	18 621	-	-	-	-	-	27 371	8 750	8 750
B WC031 Theewaterskloof	-	-	-	1 650	1 700	1 700	2 077	-	-	-	-	-	3 727	1 700	1 700
B WC032 Overstrand	-	-	-	1 550	1 550	1 550	2 593	-	-	-	-	-	4 143	1 550	1 550
B WC033 Cape Agulhas	-	-	-	1 550	1 550	1 550	1 773	-	-	-	-	-	3 323	1 550	1 550
B WC034 Swellendam	-	-	-	1 720	1 770	1 770	1 497	-	-	-	-	-	3 217	1 770	1 770
C DC3 Overberg District Municipality	-	-	-	1 000	1 000	1 000	1 123	-	-	-	-	-	2 123	1 000	1 000
Total: Overberg Municipalities	-	-	-	7 470	7 570	7 570	9 063	-	-	-	-	-	16 533	7 570	7 570
B WC041 Kannaland	-	-	-	2 932	2 932	2 932	1 031	-	-	-	-	-	3 963	2 932	2 932
B WC042 Hessequa	-	-	-	1 550	1 550	1 550	1 164	-	-	-	-	-	2 714	1 550	1 550
B WC043 Mossel Bay	-	-	-	1 550	1 566	1 566	1 935	-	-	-	-	-	3 485	1 566	1 566
B WC044 George	6 000	6 000	6 500	1 721	1 771	1 771	1 990	-	-	-	-	-	9 711	7 771	8 271
B WC045 Outshoorn	-	-	-	2 800	2 802	2 802	1 310	-	-	-	-	-	4 110	2 802	2 802
B WC047 Bliou	-	-	-	1 721	1 771	1 771	1 155	-	-	-	-	-	2 876	1 771	1 771
B WC048 Kaysen	-	-	-	1 721	1 771	1 771	1 044	-	-	-	-	-	2 765	1 771	1 771
C DC4 Garden Route District Municipality	-	-	-	1 000	1 000	1 000	2 440	-	-	-	-	-	3 440	1 000	1 000
Total: Garden Route Municipalities	6 000	6 000	6 500	14 995	15 163	15 163	12 609	-	-	-	-	-	33 064	21 163	21 663
B WC051 Langsburg	-	-	-	1 750	1 800	1 800	1 074	-	-	-	-	-	2 824	1 800	1 800
B WC052 Prince Albert	-	-	-	1 650	1 700	1 700	1 237	-	-	-	-	-	2 887	1 700	1 700
B WC053 Beaufort West	-	-	-	2 085	2 185	2 185	1 136	-	-	-	-	-	3 221	2 185	2 185
C DC5 Central Karoo District Municipality	-	-	-	1 000	1 000	1 000	1 321	-	-	-	-	-	2 321	1 000	1 000
Total: Central Karoo Municipalities	-	-	-	6 485	6 685	6 685	4 768	-	-	-	-	-	11 253	6 685	6 690
Total: Western Cape Municipalities	17 446	17 000	19 000	48 253	48 721	48 726	97 091	-	-	65 970	68 877	72 950	229 160	134 598	140 676
Unallocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
National Total	159 246	159 857	167 036	566 395	568 571	594 105	778 395	781 385	816 477	360 886	376 792	393 714	2 411 754	2 442 480	2 552 171

¹ Includes unallocated amounts for the Municipal Disaster Response Grant (MDRG) and the Municipal Emergency Housing Grant (MEHG). The MDRG is allocated R371 million in 2022/23, R373 million in 2023/24 and R389 million in 2024/25. The MEHG is allocated R175 million in 2022/23, R183 million in 2023/24 and R191 million in 2024/25.

ANNEXURE W5

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

(National and Municipal Financial Years)

ANNEXURE WS
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	
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)
EASTERN CAPE															
A	BAF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A	NNA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A	Nelson Mandela Bay	-	-	-	9 000	-	10 000	-	-	-	-	-	-	-	-
B	EC101 Dr Beyers Naidoo	23 010	23 874	-	-	-	-	55 000	57 470	-	-	-	-	10 939	20 900
B	EC102 Blue Crane Route	15 755	16 270	-	4 000	-	5 000	620	5 000	-	-	-	-	10 000	5 000
B	EC104 Mahama	27 386	28 459	-	-	-	-	10 000	10 449	-	-	-	-	16 112	18 947
B	EC106 Ndabembe	39 727	31 960	-	-	-	-	15 800	10 449	-	-	-	-	80 000	35 675
B	EC107 Ndlambe	30 222	33 271	-	-	-	-	10 000	10 449	-	-	-	-	20 000	30 000
B	EC108 Ndlambe Valley	35 801	38 946	-	-	-	-	19 712	19 712	-	-	-	-	30 000	20 900
B	EC109 Kwa-Kaama	24 997	17 572	-	-	-	-	3 000	3 134	-	-	-	-	-	-
C	DC10 Sarah Baartman District Municipality	-	-	-	-	-	-	-	-	2 396	2 405	-	-	-	-
Total South Coast Region Municipalities		186 451	192 747	4 500	5 000	9 801	67 000	26 602	100 310	2 396	2 405	2 396	2 405	142 051	133 947
B	EC121 Mthatha	68 438	71 729	-	4 500	-	5 000	18 000	18 808	-	-	-	-	-	-
B	EC122 Mthatha	11 496	71 729	-	-	-	-	7 520	9 000	-	-	-	-	-	-
B	EC123 Great Kei	22 215	12 930	-	-	-	-	733	9 000	-	-	-	-	-	-
B	EC124 Amathole	31 701	32 980	-	-	-	-	10 000	10 449	-	-	-	-	-	-
B	EC126 Ngqushwa	35 198	26 166	-	-	-	-	10 000	10 449	-	-	-	-	-	-
B	EC129 Raymond Mkhabela	44 503	46 395	-	-	-	-	1 828	10 449	-	-	-	-	-	-
C	DC12 Armstrongdale District Municipality	493 651	517 600	-	-	-	-	-	-	3 144	3 156	-	-	86 000	79 900
Total Amathole Municipalities		787 214	817 603	4 500	5 000	9 801	67 000	9 801	70 800	3 144	3 156	3 144	3 156	86 000	79 900
B	EC131 Inxhwa Yethu	17 813	18 427	-	-	-	-	12 000	12 519	-	-	-	-	-	-
B	EC135 Inxhwa Yethu	48 873	53 210	-	4 500	-	5 000	9 800	8 000	-	-	-	-	-	-
B	EC136 Enlatheleni	47 916	39 492	-	-	-	-	27 200	7 000	-	-	-	-	-	-
B	EC137 Engcobo	43 887	45 539	-	-	-	-	10 500	15 673	-	-	-	-	-	-
B	EC138 Sakhisive	20 231	20 962	-	-	-	-	10 332	5 000	-	-	-	-	-	-
B	EC139 Enxhaya Ngqushwa	10 164	10 261	-	-	-	-	15 737	9 000	-	-	-	-	-	-
C	DC13 King Sabata Dalindyebo District Municipality	339 653	346 634	-	-	-	-	-	-	3 455	3 468	-	-	60 000	80 000
Total Chris Hani Municipalities		570 644	585 815	4 500	5 000	9 801	67 000	73 909	59 514	3 455	3 468	3 455	3 468	60 000	80 000
B	EC141 Elandini	44 175	46 051	-	-	-	-	14 400	22 000	-	-	-	-	-	-
B	EC142 Serqui	43 640	45 491	-	-	-	-	11 740	6 800	-	-	-	-	-	-
B	EC145 Water Sisu	21 088	21 775	-	-	-	-	6 800	7 105	-	-	-	-	-	-
B	EC146 Water Sisu	18 926	19 266	-	-	-	-	26 140	29 800	-	-	-	-	-	-
Total Joe Goldreich District Municipality		239 809	251 604	4 500	5 000	9 801	67 000	26 140	29 800	2 338	2 347	2 338	2 347	20 000	28 000
B	EC133 Nqunzulu	62 127	64 862	-	-	-	-	8 064	3 000	-	-	-	-	-	-
B	EC154 Port St Johns	38 862	40 484	-	-	-	-	17 680	7 000	-	-	-	-	-	-
B	EC135 Nyaundi	69 440	72 526	-	-	-	-	20 988	15 000	-	-	-	-	-	-
B	EC156 Mhlotini	59 235	52 462	-	-	-	-	3 105	18 000	-	-	-	-	-	-
B	EC157 King Shaka District Municipality	730 131	764 851	-	4 000	-	4 000	-	-	3 143	3 155	-	-	80 000	110 000
Total O.R. Tambo District Municipality		1 049 644	1 098 467	4 000	4 000	5 515	51 000	49 907	51 000	3 143	3 155	3 143	3 155	80 000	110 000
B	EC441 Matielde	56 608	58 514	-	-	-	-	46 288	52 492	-	-	-	-	-	-
B	EC442 Urmvubu	52 786	55 074	-	-	-	-	16 400	28 000	-	-	-	-	-	-
B	EC443 Wama Madikizela-Madela	55 038	57 433	-	-	-	-	7 600	18 000	-	-	-	-	-	-
B	EC444 Wama Madikizela-Madela	43 122	43 623	-	2 420	-	2 420	-	-	-	-	-	-	-	-
Total Alfred Nzo District Municipality		627 500	666 445	2 420	2 420	2 420	2 420	69 714	126 492	2 420	2 420	2 420	2 420	100 000	115 000
Total Eastern Cape Municipalities		3 499 712	3 609 435	24 420	31 000	31 515	256 083	456 292	445 431	16 926	16 900	18 597	18 597	498 051	537 847

ANNEXURE 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 Road Asset Management Systems Grant		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant	
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)
KWAZULU-NATAL															
A	ETH ekhewini	-	-	-	-	9 000	8 000	10 000	-	-	-	-	-	-	-
B	KZN212 uMdloti	44 631	37 560	-	-	-	-	-	8 000	10 449	-	-	-	-	-
B	KZN213 uMzimba	38 532	41 889	9 000	15 772	-	-	15 000	8 000	10 449	-	-	-	-	-
B	KZN214 uMkhomoti	20 163	28 256	-	82 388	-	-	7 036	7 000	10 449	-	-	-	-	-
C	DC21 Ugu District Municipality	277 374	304 281	-	129 275	5 000	6 000	6 000	6 000	2 848	2 859	2 963	70 000	75 000	80 140
	Total Ugu Municipalities	386 720	393 805	9 000	241 407	5 000	6 000	37 945	30 000	41 796	2 848	2 859	70 000	75 000	80 140
B	KZN221 uMdlwini	31 069	33 646	-	-	4 000	9 000	10 000	67 078	60 738	2 707	2 718	2 817	145 600	160 459
B	KZN222 uMgungahlovo	28 816	26 813	-	-	5 000	5 000	5 000	13 425	9 000	9 404	-	-	-	-
B	KZN223 uMgungahlovo	13 916	13 916	-	-	4 000	4 000	4 000	18 855	15 000	18 855	-	-	-	-
B	KZN224 uMgungahlovo	22 153	23 750	-	-	5 000	5 000	5 000	12 000	12 000	9 000	-	-	-	-
B	KZN225 uMgungahlovo	17 791	18 594	-	-	5 000	5 000	5 000	15 000	10 000	10 449	-	-	-	-
B	KZN226 uMgungahlovo	20 511	21 255	-	-	5 000	5 000	5 000	7 000	8 359	7 000	-	-	-	-
B	KZN227 uMgungahlovo	116 867	122 224	-	-	4 000	9 000	10 000	89 024	67 078	2 707	2 718	2 817	85 600	90 054
	Total uMgungahlovo Municipalities	466 064	485 422	9 000	90 078	4 000	9 000	10 000	267 024	213 243	2 707	2 718	2 817	145 600	160 459
B	KZN235 Okhahlamba	33 179	34 550	-	-	5 000	3 000	5 000	22 070	9 000	9 404	-	-	-	-
B	KZN237 Inkosi Langabane	41 055	46 414	-	-	5 000	5 000	5 000	19 752	8 000	8 359	-	-	-	-
C	DC23 uPhakathi District Municipality	211 484	221 371	-	-	5 000	3 000	5 000	2 662	2 672	2 769	-	-	80 800	85 800
	Total uPhakathi Municipalities	356 474	372 586	5 000	3 000	5 000	5 000	5 000	41 922	27 000	2 672	2 769	80 800	85 800	94 756
B	KZN241 eNdlweni	16 782	17 346	-	-	5 000	5 000	5 000	20 967	13 000	10 449	-	-	-	-
B	KZN242 Nquthu	38 220	36 680	-	-	5 000	5 000	5 000	16 440	20 000	14 629	-	-	-	-
B	KZN244 uMgungahlovo	44 214	44 206	-	-	5 000	5 000	5 000	16 440	20 000	14 629	-	-	-	-
B	KZN245 uMgungahlovo	35 620	34 992	-	-	5 000	5 000	5 000	16 440	14 000	16 717	-	-	-	-
	Total uMgungahlovo District Municipality	346 882	356 209	5 000	5 000	5 000	5 000	5 000	66 356	64 042	2 439	2 450	2 537	80 000	85 800
B	KZN252 Newcastle	129 141	135 086	-	-	-	-	-	21 753	21 000	26 122	-	-	-	-
B	KZN253 eMakhosini	10 010	10 250	-	-	-	-	-	16 693	10 000	7 314	-	-	-	-
B	KZN254 Dannewater	24 347	25 274	-	-	-	-	-	5 000	5 000	7 314	-	-	-	-
C	DC25 Amajuba District Municipality	46 578	50 697	-	-	-	-	-	2 361	2 370	2 456	-	-	-	-
	Total Amajuba Municipalities	210 088	219 188	210 088	219 188	5 000	5 000	5 000	21 753	21 000	26 122	2 361	2 370	2 456	118 000
B	KZN261 eThekweni	20 055	20 777	-	-	-	-	-	13 350	14 000	14 629	-	-	-	-
B	KZN262 uPhondo	31 889	33 177	-	-	-	-	-	8 200	8 000	8 359	-	-	-	-
B	KZN263 uMhlabathongo	42 083	43 859	-	-	-	-	-	18 485	10 000	10 449	-	-	-	-
B	KZN265 Nongoma	36 009	37 495	-	-	-	-	-	3 000	3 000	6 269	-	-	-	-
B	KZN266 Umtata	44 888	36 319	-	-	-	-	-	10 000	8 000	12 539	-	-	-	-
C	DC26 Zululand District Municipality	259 350	271 718	-	-	-	-	-	2 559	2 559	2 631	15 247	30 000	50 000	100 850
	Total Zululand Municipalities	434 454	443 345	434 454	443 345	5 000	5 000	5 000	61 356	56 424	2 439	2 450	2 537	80 000	85 800
B	KZN271 uMhlabathongo	39 523	41 177	-	-	-	-	-	8 000	11 864	-	-	-	-	-
B	KZN272 Isizi	42 381	44 171	-	-	-	-	-	6 600	10 000	10 449	-	-	-	-
B	KZN275 uMhlabathongo	35 867	37 347	-	-	-	-	-	7 862	12 000	10 449	-	-	-	-
B	KZN276 Big Five Uthmanya	24 874	24 779	-	-	-	-	-	7 000	8 000	10 530	-	-	-	-
C	DC27 uMkhayelwazi District Municipality	247 281	258 882	-	-	-	-	-	2 808	2 818	2 921	-	-	-	-
	Total uMkhayelwazi Municipalities	388 926	406 856	388 926	406 856	5 000	5 000	5 000	21 462	38 000	42 922	2 808	2 818	2 921	60 000
B	KZN281 uMhlabathongo	29 491	30 664	-	-	-	-	-	5 000	5 000	5 000	-	-	-	-
B	KZN282 uMhlabathongo	48 827	47 781	-	-	-	-	-	4 175	8 000	8 359	-	-	-	-
B	KZN284 uMhlabathongo	30 059	29 761	-	-	-	-	-	8 200	14 000	15 674	-	-	-	-
B	KZN285 uMhlabathongo	28 579	26 465	-	-	-	-	-	16 000	20 000	14 629	-	-	-	-
B	KZN286 Ntshongweni	19 344	20 507	-	-	-	-	-	3 000	3 000	6 269	-	-	-	-
	Total King Cetshwayo District Municipality	337 280	331 278	337 280	331 278	5 000	5 000	5 000	31 456	62 000	61 650	2 705	2 715	2 814	313 065
B	KZN291 uMhlabathongo	40 044	41 722	-	-	-	-	-	7 200	10 000	8 359	-	-	-	-
B	KZN292 uMhlabathongo	32 991	33 627	-	-	-	-	-	15 000	10 000	10 449	-	-	-	-
B	KZN294 uMhlabathongo	24 986	25 943	-	-	-	-	-	30 750	15 000	12 539	-	-	-	-
	Total uMhlabathongo District Municipality	221 475	231 840	221 475	231 840	5 000	5 000	5 000	63 348	42 000	41 796	2 439	2 450	2 528	80 000
B	KZN303 Greater KwaZulu-Natal	19 214	19 896	-	-	-	-	-	30 000	18 000	12 539	-	-	-	-
B	KZN304 uMhlabathongo	30 291	31 303	-	-	-	-	-	6 994	9 500	10 971	-	-	-	-
B	KZN305 uMhlabathongo	30 558	31 383	-	-	-	-	-	10 320	10 000	10 449	-	-	-	-
C	DC43 uMhlabathongo District Municipality	231 011	241 833	-	-	-	-	-	2 381	2 381	2 477	-	-	-	-
	Total uMhlabathongo District Municipality	300 355	316 417	300 355	316 417	5 000	5 000	5 000	53 916	46 000	45 973	2 381	2 391	2 477	100 000
B	KZN311 uMhlabathongo	3 662 143	3 784 449	-	-	33 000	30 000	50 000	480 216	439 078	458 790	258 870	25 970	26 913	228 810
	Total KwaZulu-Natal Municipalities	3 662 143	3 784 449	3 662 143	3 784 449	33 000	30 000	50 000	480 216	439 078	458 790	258 870	25 970	26 913	228 810
	Total KwaZulu-Natal Municipalities	3 662 143	3 784 449	3 662 143	3 784 449	33 000	30 000	50 000	480 216	439 078	458 790	258 870	25 970	26 913	228 810

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	
		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)
LIMPOPO															
B	LMS31 Greater Giyani	69 261	72 338	-	-	-	-	20 584	21 000	-	-	-	-	-	-
B	LMS32 Greater Letaba	65 707	68 614	-	-	4 000	5 000	20 584	10 000	-	-	-	-	-	-
B	LMS33 Greater Tzaneen	119 004	118 937	-	-	5 000	5 000	20 584	10 000	-	-	-	-	-	-
B	LMS34 Bx-Pfalderwa	36 186	37 681	-	-	-	-	8 000	8 000	-	-	-	-	-	-
B	LMS35 Mading	30 170	31 376	-	-	-	-	-	-	-	-	-	-	-	-
B	LMS36 Mopani District Municipality	573 688	575 688	-	-	-	-	-	-	2 800	2 800	-	-	-	61 266
B	LMS37 Mopani District Municipality	88 255	90 255	-	-	9 000	14 000	63 144	65 288	2 301	2 454	-	-	30 000	47 000
B	LMS38 Mopani District Municipality	845 788	845 788	-	-	-	-	-	-	-	-	-	-	-	-
B	LMS39 Mopani District Municipality	845 788	845 788	-	-	-	-	-	-	-	-	-	-	-	-
B	LMS40 Mopani District Municipality	845 788	845 788	-	-	-	-	-	-	-	-	-	-	-	-
B	LMS41 Mopani	32 713	34 040	-	-	-	-	10 000	10 449	-	-	-	-	-	-
B	LMS42 Thulamela	113 912	119 127	-	-	-	-	22 200	21 000	-	-	-	-	-	-
B	LMS43 Thulamela	102 597	107 271	-	-	-	-	20 120	16 718	-	-	-	-	-	-
B	LMS44 Makhadu	93 889	98 146	-	-	-	-	5 000	12 000	-	-	-	-	-	-
B	LMS45 Collins Chabane	475 245	621 411	-	-	-	-	5 000	12 000	2 416	2 416	-	-	60 800	76 602
B	LMS46 Collins Chabane	621 411	651 375	-	-	-	-	47 520	59 000	2 407	2 416	-	-	60 800	76 602
B	LMS47 Collins Chabane	621 411	651 375	-	-	-	-	47 520	59 000	2 407	2 416	-	-	60 800	76 602
B	LMS48 Collins Chabane	621 411	651 375	-	-	-	-	47 520	59 000	2 407	2 416	-	-	60 800	76 602
B	LMS49 Collins Chabane	621 411	651 375	-	-	-	-	47 520	59 000	2 407	2 416	-	-	60 800	76 602
B	LMS50 Collins Chabane	621 411	651 375	-	-	-	-	47 520	59 000	2 407	2 416	-	-	60 800	76 602
B	LMS51 Bloebeg	50 408	52 582	-	-	-	-	34 318	23 000	-	-	-	-	-	-
B	LMS52 Bloebeg	39 792	41 458	-	-	-	-	10 000	10 449	-	-	-	-	-	-
B	LMS53 Motemle	61 628	64 340	-	-	5 000	4 000	33 000	30 733	-	-	154 584	120 597	77 160	76 871
B	LMS54 Polokwane	2 000	2 000	-	-	-	-	5 000	9 000	5 601	5 601	-	-	115 800	107 612
B	LMS55 Lepelle-Mokopane	417 236	426 442	-	-	5 000	4 000	72 138	72 733	2 301	2 301	154 584	120 597	102 160	104 683
B	LMS56 Lepelle-Mokopane	417 236	426 442	-	-	5 000	4 000	72 138	72 733	2 301	2 301	154 584	120 597	102 160	104 683
B	LMS57 Lepelle-Mokopane	417 236	426 442	-	-	5 000	4 000	72 138	72 733	2 301	2 301	154 584	120 597	102 160	104 683
B	LMS58 Lepelle-Mokopane	417 236	426 442	-	-	5 000	4 000	72 138	72 733	2 301	2 301	154 584	120 597	102 160	104 683
B	LMS59 Lepelle-Mokopane	417 236	426 442	-	-	5 000	4 000	72 138	72 733	2 301	2 301	154 584	120 597	102 160	104 683
B	LMS60 Lepelle-Mokopane	417 236	426 442	-	-	5 000	4 000	72 138	72 733	2 301	2 301	154 584	120 597	102 160	104 683
B	LMS61 Thabazimbi	37 573	39 134	-	-	4 000	4 000	25 000	30 000	-	-	-	-	-	-
B	LMS62 Lepelle-Mokopane	59 592	51 727	-	-	4 000	5 000	20 000	22 500	-	-	-	-	-	-
B	LMS63 Lepelle-Mokopane	29 130	30 286	-	-	4 000	4 000	1 000	9 000	-	-	-	-	-	-
B	LMS64 Lepelle-Mokopane	179 727	188 093	-	-	-	-	4 000	15 000	-	-	-	-	-	-
B	LMS65 Mogalakwena	45 725	45 739	-	-	-	-	7 000	18 500	26 655	2 301	-	-	-	-
B	LMS66 Mogalakwena	45 725	45 739	-	-	-	-	7 000	18 500	26 655	2 301	-	-	-	-
B	LMS67 Mogalakwena	45 725	45 739	-	-	-	-	7 000	18 500	26 655	2 301	-	-	-	-
B	LMS68 Mogalakwena	45 725	45 739	-	-	-	-	7 000	18 500	26 655	2 301	-	-	-	-
B	LMS69 Mogalakwena	45 725	45 739	-	-	-	-	7 000	18 500	26 655	2 301	-	-	-	-
B	LMS70 Mogalakwena	45 725	45 739	-	-	-	-	7 000	18 500	26 655	2 301	-	-	-	-
B	LMS71 Ephant Mopani	37 821	39 334	-	-	8 000	4 000	95 000	104 400	2 281	2 290	-	-	109 650	116 011
B	LMS72 Ephant Mopani	62 606	65 364	-	-	-	5 600	17 000	11 000	-	-	-	-	-	-
B	LMS73 Mafikeng	70 915	70 972	-	-	-	-	6 000	6 000	-	-	-	-	-	-
B	LMS74 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS75 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS76 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS77 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS78 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS79 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS80 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS81 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS82 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS83 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS84 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS85 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS86 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS87 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS88 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS89 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS90 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS91 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS92 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS93 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS94 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS95 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS96 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS97 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS98 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS99 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS100 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS101 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS102 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS103 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS104 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS105 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS106 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS107 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS108 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS109 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS110 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS111 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS112 Mafikeng	47 430	47 430	-	-	-	-	28 000	11 000	-	-	-	-	-	-
B	LMS113 Mafikeng	47 430	47 430	-	-										

ANNEXURE W-5
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		
		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)	
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	
EASTERN CAPE														
A	BUF Buffalo City	-	-	40 581	40 581	282 122	294 556	307 785	518 034	541 299	332 128	853 171	879 084	
A	NMA Nelson Mandela Bay	-	-	25 581	40 000	334 876	349 635	365 337	614 902	642 517	-	1 345 665	1 377 668	
B	EC101 Dr Beyers Naudé	-	-	-	-	-	-	-	-	-	-	33 949	103 162	
B	EC102 Blue Crane Route	-	-	-	-	-	-	-	-	-	-	26 375	33 169	
B	EC104 Makana	-	-	-	-	-	-	-	-	-	-	43 498	59 848	
B	EC105 Ndlambe	-	-	-	-	-	-	-	-	-	-	131 227	79 395	
B	EC106 Sundays River Valley	-	-	-	-	-	-	-	-	-	-	59 297	58 306	
B	EC108 Kwaqama	-	-	-	-	-	-	-	-	-	-	35 891	48 372	
B	EC109 Kwa-Karima	-	-	-	-	-	-	-	-	-	-	24 997	21 317	
C	DC10 Sarah Baartman District Municipality	-	-	-	-	-	-	-	-	-	-	2 396	2 492	
Total: Sarah Baartman Municipalities														
B	EC121 Mbashe	-	-	-	-	-	-	-	-	-	-	72 958	93 537	
B	EC122 Mquma	-	-	-	-	-	-	-	-	-	-	78 798	88 497	
B	EC123 Great Kei	-	-	-	-	-	-	-	-	-	-	22 948	22 334	
B	EC124 Amalalithi	-	-	-	-	-	-	-	-	-	-	31 701	42 980	
B	EC126 Ngqushwa	-	-	-	-	-	-	-	-	-	-	35 198	36 166	
B	EC129 Raymond Mkhabela	-	-	-	-	-	-	-	-	-	-	46 331	58 857	
C	DC12 Amathole District Municipality	-	-	-	-	-	-	-	-	-	-	582 805	591 116	
Total: Amathole Municipalities														
B	EC131 Ixwuba Yethimba	-	-	-	-	-	-	-	-	-	-	22 313	35 427	
B	EC135 Intsha Yethu	-	-	-	-	-	-	-	-	-	-	58 853	58 975	
B	EC136 Ermalatheni	-	-	-	-	-	-	-	-	-	-	75 116	46 492	
B	EC137 Engcobo	-	-	-	-	-	-	-	-	-	-	54 247	60 539	
B	EC138 Sakhisawe	-	-	-	-	-	-	-	-	-	-	30 563	25 962	
B	EC139 Enoch Mgijima	-	-	-	-	-	-	-	-	-	-	77 410	73 386	
C	DC13 Ciskei District Municipality	-	-	-	-	-	-	-	-	-	-	610 813	507 218	
Total: Ciskei District Municipality														
B	EC141 Elundini	-	-	-	-	-	-	-	-	-	-	58 575	68 051	
B	EC142 Senqo	-	-	-	-	-	-	-	-	-	-	41 640	48 505	
B	EC145 Walter Sisulu	-	-	-	-	-	-	-	-	-	-	32 748	28 575	
C	DC14 Joe Gqo District Municipality	-	-	-	-	-	-	-	-	-	-	257 864	248 985	
Total: Joe Gqo District Municipality														
B	EC153 Ngqura Hill	-	-	-	-	-	-	-	-	-	-	70 191	67 862	
B	EC154 Port St Johns	-	-	-	-	-	-	-	-	-	-	56 542	47 483	
B	EC155 Mthatha	-	-	-	-	-	-	-	-	-	-	69 440	80 576	
B	EC156 Mthunzi	-	-	-	-	-	-	-	-	-	-	71 261	67 465	
B	EC157 King Sabata Dalindyebo	-	-	-	-	-	-	-	-	-	-	105 986	125 282	
C	DC15 O.R. Tambo District Municipality	-	-	-	-	-	-	-	-	-	-	983 274	1 261 139	
Total: O.R. Tambo District Municipality														
B	EC341 Matielie	-	-	-	-	-	-	-	-	-	-	1 356 694	1 649 755	
B	EC342 Umrathu	-	-	-	-	-	-	-	-	-	-	102 356	111 006	
B	EC343 Winanie Madikizela-Mandela	-	-	-	-	-	-	-	-	-	-	52 786	83 074	
B	EC344 Ntabankulu	-	-	-	-	-	-	-	-	-	-	71 438	85 433	
C	DC34 Alfred Nzo District Municipality	-	-	-	-	-	-	-	-	-	-	37 602	49 802	
Total: Alfred Nzo District Municipality														
Total: Eastern Cape Municipalities														
		-	-	66 162	80 581	616 998	644 191	673 122	1 085 111	1 183 816	318 543	332 128	6 804 913	7 587 905

ANNEXURE W5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 4, PART B AND SCHEDULES, 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			
		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)		
FREE STATE															
A	MANI Mangang	-	-	20 738	24 738	5 000	279 617	291 940	305 051	491 760	513 434	536 492	249 894	260 551	270 803
B	FS161 Lesemeng	-	-	-	-	-	-	-	-	-	-	-	-	-	56 052
B	FS162 Lesemeng	-	-	-	-	-	-	-	-	-	-	-	-	-	43 886
B	FS163 Lesemeng	-	-	-	-	-	-	-	-	-	-	-	-	-	49 110
B	FS164 Lesemeng	-	-	-	-	-	-	-	-	-	-	-	-	-	51 151
B	FS165 Lesemeng	-	-	-	-	-	-	-	-	-	-	-	-	-	2 268
B	FS166 Lesemeng	-	-	-	-	-	-	-	-	-	-	-	-	-	2 301
Total: Xhaxha District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	154 048
Total: Xhaxha District Municipality															154 048
B	FS181 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	53 541
B	FS182 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	49 076
B	FS183 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	44 052
B	FS184 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	100 698
B	FS185 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	37 870
B	FS186 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	173 933
B	FS187 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	184 101
B	FS188 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	54 648
B	FS189 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	56 910
B	FS190 Matieland	-	-	-	-	-	-	-	-	-	-	-	-	-	6 441
Total: Lepelape District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	354 343
Total: Lepelape District Municipality															354 343
B	FS191 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	219 001
B	FS192 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	225 205
B	FS193 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	56 828
B	FS194 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	69 710
B	FS195 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	75 802
B	FS196 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	49 012
B	FS197 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	47 323
B	FS198 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	280 673
B	FS199 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	257 945
B	FS200 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	38 847
B	FS201 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	43 183
B	FS202 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	50 197
B	FS203 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	46 795
B	FS204 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	38 530
B	FS205 Sediberg	-	-	-	-	-	-	-	-	-	-	-	-	-	40 105
Total: Thabo Mofutsanyana Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	7 573
Total: Thabo Mofutsanyana Municipality															7 573
B	FS206 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	55 886
B	FS207 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	62 537
B	FS208 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	137 663
B	FS209 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	99 622
B	FS210 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	77 554
B	FS211 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	83 144
B	FS212 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	108 703
B	FS213 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	55 360
B	FS214 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	46 094
B	FS215 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	2 341
B	FS216 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	2 350
B	FS217 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	2 350
B	FS218 Mogale City	-	-	-	-	-	-	-	-	-	-	-	-	-	2 435
Total: Fesile Dabi Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	359 953
Total: Fesile Dabi Municipality															359 953
Total: Free State Municipalities		-	-	20 738	24 738	5 000	279 617	291 940	305 051	491 760	513 434	536 492	249 894	260 551	270 803
Total: Free State Municipalities															
GAUTENG															
A	EKU City of Ekurhuleni	-	-	-	-	-	-	-	-	-	-	-	-	-	2 841 071
A	JHB City of Johannesburg	-	-	118 470	113 651	30 000	729 065	761 197	795 382	1 282 202	1 338 713	1 398 834	702 334	732 288	2 994 473
A	TSH City of Tshwane	-	-	156 348	151 348	30 000	684 888	713 075	747 187	1 204 309	1 314 074	1 314 074	1 181 139	1 158 203	3 259 701
B	G1421 Emfuleni	-	-	10 000	20 000	20 000	393 665	619 851	647 689	1 044 111	1 090 129	1 139 086	753 681	783 824	2 621 614
B	G1422 Midrand	-	-	10 000	20 000	20 000	-	-	-	-	-	-	-	-	246 274
B	G1423 Lesedi	-	-	10 000	10 000	15 000	-	-	-	-	-	-	-	-	93 548
B	G1424 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	88 102
B	G1425 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	74 030
B	G1426 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	2 606
B	G1427 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	2 616
B	G1428 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	2 711
B	G1429 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	416 458
B	G1430 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	405 676
B	G1431 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	246 121
B	G1432 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	151 745
B	G1433 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	139 104
B	G1434 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	216 866
B	G1435 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	216 836
B	G1436 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	226 262
B	G1437 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	45 775
B	G1438 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	41 999
B	G1439 Sediberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	42 887
Total: West Rand Municipalities		156 361	140 185	140 185	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	666 507
Total: West Rand Municipalities															666 507
Total: Gauteng Municipalities		156 361	140 185	140 185	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	9 691 632
Total: Gauteng Municipalities															9 691 632
Total: Free State Municipalities		-	-	20 738	24 738	5 000	279 617	291 940	305 051	491 760	513 434	536 492	249 894	260 551	270 803
Total: Free State Municipalities															
Total: Gauteng Municipalities		156 361	140 185	140 185	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	9 691 632
Total: Gauteng Municipalities															9 691 632
Total: Free State Municipalities		-	-	20 738	24 738	5 000	279 617	291 940	305 051	491 760	513 434	536 492	249 894	260 551	270 803
Total: Free State Municipalities															
Total: Gauteng Municipalities		156 361	140 185	140 185	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	146 433	9 691 632
Total: Gauteng Municipalities															9 691 632

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					
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)				
KWAZULU-NATAL																	
A.	ETH eThekweni	-	-	-	315 888	318 868	40 000	727 265	793 419	1 335 408	1 395 380	863 393	900 216	934 599	3 194 062	3 337 752	3 173 198
B.	KZN212 eMdeni	-	-	-	-	-	-	-	-	-	-	-	-	-	44 631	44 051	48 009
B.	KZN213 uMzamebe	-	-	-	-	-	-	-	-	-	-	-	-	-	62 552	63 932	52 318
B.	KZN214 uMzuzwabantu	-	-	-	-	-	-	-	-	-	-	-	-	-	42 062	47 739	38 705
B.	KZN216 Ray Nkonyeni	81 360	73 200	76 348	46 000	40 000	40 000	-	-	-	-	-	-	-	139 386	202 498	132 797
C.	DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	350 222	498 051	387 394
Total: Ugu Municipalities		81 360	73 200	76 348	46 000	40 000	40 000	-	-	-	-	-	-	-	638 073	856 271	699 223
B.	KZN221 uMkwashu	-	-	-	-	-	-	-	-	-	-	-	-	-	44 494	41 318	43 050
B.	KZN222 uMgeni	-	-	-	-	-	-	-	-	-	-	-	-	-	48 671	45 813	42 279
B.	KZN223 uMfolozi	-	-	-	-	-	-	-	-	-	-	-	-	-	25 704	23 881	22 275
B.	KZN224 uMpondolo	-	-	-	-	-	-	-	-	-	-	-	-	-	12 753	17 125	21 879
B.	KZN225 uMantlathini	-	-	-	34 800	35 000	35 000	-	-	-	-	-	-	-	350 807	355 680	368 916
B.	KZN226 uMkhambathani	-	-	-	-	-	-	-	-	-	-	-	-	-	32 381	28 795	26 495
B.	KZN227 uMkondeni	-	-	-	-	-	-	-	-	-	-	-	-	-	28 843	28 843	28 843
C.	DC22 uMkangadva District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	203 174	215 892	201 794
Total: uMkwangadva Municipalities		-	-	-	34 800	35 000	35 000	-	-	-	-	-	-	-	740 895	756 758	779 092
B.	KZN235 Othmanzima	-	-	-	-	-	-	-	-	-	-	-	-	-	38 991	43 179	42 909
B.	KZN237 Alfred Duma	-	-	-	-	-	-	-	-	-	-	-	-	-	69 760	56 465	60 818
B.	KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-	-	-	-	-	81 166	81 166	81 166
C.	DC20 uMhlabaland District Municipality	-	-	-	-	-	4 213	-	-	-	-	-	-	-	20 160	309 643	329 415
Total: uMhlabaland Municipalities		-	-	-	-	-	4 213	-	-	-	-	-	-	-	467 856	491 058	522 586
B.	KZN241 eMsimeni	-	-	-	-	-	-	-	-	-	-	-	-	-	37 740	35 346	33 396
B.	KZN242 Ngqulu	-	-	-	-	-	-	-	-	-	-	-	-	-	44 780	50 680	52 849
B.	KZN244 uManga	-	-	-	-	-	-	-	-	-	-	-	-	-	58 854	64 206	60 741
B.	KZN245 uMkomo	-	-	-	-	-	-	-	-	-	-	-	-	-	16 015	16 015	16 015
C.	DC25 uMkhumbane District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	269 524	318 223	333 998
Total: uMkhumbane Municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	492 577	517 447	544 151
B.	KZN282 Newcastle	-	-	-	20 000	20 000	15 000	-	-	-	-	-	-	-	197 141	213 866	218 664
B.	KZN283 eMhlangeni	-	-	-	-	-	-	-	-	-	-	-	-	-	26 705	20 250	17 821
B.	KZN284 Danusheni	-	-	-	-	-	-	-	-	-	-	-	-	-	29 387	30 274	33 574
C.	DC26 uMahlale District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	153 390	161 647	161 647
Total: uMahlale District Municipality		-	-	-	20 000	20 000	15 000	-	-	-	-	-	-	-	372 179	399 678	408 493
B.	KZN281 eDunbe	-	-	-	-	-	-	-	-	-	-	-	-	-	33 405	34 777	36 173
B.	KZN282 uMhlangeni	-	-	-	-	-	-	-	-	-	-	-	-	-	40 089	41 177	42 906
B.	KZN283 uMhlabeni	-	-	-	-	-	-	-	-	-	-	-	-	-	60 508	53 859	56 197
B.	KZN285 Nongoma	-	-	-	-	-	-	-	-	-	-	-	-	-	39 009	40 495	45 344
B.	KZN286 Nongoma	-	-	-	-	-	-	-	-	-	-	-	-	-	372 306	405 127	438 299
C.	DC27 uMkhambane District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	600 265	619 764	609 210
Total: uMkhambane District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	39 523	49 177	54 430
B.	KZN271 uMhlabiyalingana	-	-	-	-	-	-	-	-	-	-	-	-	-	48 981	54 171	56 524
B.	KZN272 Jozini	-	-	-	-	-	-	-	-	-	-	-	-	-	43 729	49 347	49 388
B.	KZN275 uMhlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	310 689	331 020	351 709
C.	DC22 uMhlabaland District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	473 196	516 494	548 302
Total: uMhlabaland District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	33 491	40 664	46 542
B.	KZN281 uMhlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	202 172	197 810	206 318
B.	KZN282 uMhlabisa	147 172	127 810	133 484	-	-	-	-	-	-	-	-	-	-	30 002	35 781	38 221
B.	KZN284 uMhlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	41 529	46 865	42 244
B.	KZN286 uMhlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	47 612	61 834	69 409
C.	DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	842 175	994 115	999 935
Total: King Cetshwayo District Municipality		147 172	127 810	133 484	-	-	-	-	-	-	-	-	-	-	47 244	51 722	51 868
B.	KZN291 uMkhumbane	-	-	-	-	-	-	-	-	-	-	-	-	-	154 289	128 477	106 534
B.	KZN292 uMhlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	62 736	40 943	39 942
B.	KZN294 uMhlabisa	-	-	-	70 000	30 000	30 000	-	-	-	-	-	-	-	313 928	305 318	330 896
C.	DC29 uMhlabisa District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	621 624	628 460	577 817
Total: uMhlabisa District Municipality		-	-	-	70 000	30 000	30 000	-	-	-	-	-	-	-	54 214	41 896	38 159
B.	KZN403 Greater KwaZulu	-	-	-	-	-	-	-	-	-	-	-	-	-	27 285	41 003	47 763
B.	KZN404 uMhlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	36 910	39 783	44 580
B.	KZN406 Dr Nkomo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	328 392	319 224	406 224
C.	DC33 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	516 652	553 008	597 355
Total: Harry Gwala District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	8 900 556	9 680 065	9 464 473
Total: KwaZulu-Natal Municipalities		228 532	201 010	209 832	483 968	463 168	164 213	727 265	793 419	1 335 408	1 395 380	863 393	900 216	934 599	8 900 556	9 680 065	9 464 473

ANNEXURE M5
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	
		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)
LIMPOPO													
B	LM331 Greater Goniwe	-	-	-	-	-	-	-	-	-	-	89 846	93 338
B	LM332 Greater Lechi	-	-	-	-	-	-	-	-	-	-	89 267	88 100
B	LM333 Greater Mopani	-	-	-	-	-	-	-	-	-	-	130 825	128 462
B	LM334 Bheke/Chibambane	-	-	-	-	-	-	-	-	-	-	44 186	49 681
B	LM335 Mankgale	-	-	-	-	-	-	-	-	-	-	30 170	31 376
C	DC33 Mopani District Municipality	-	-	-	-	-	-	-	-	-	-	575 821	617 655
Total: Limpopo Municipalities		-	-	-	-	-	-	-	-	-	-	966 293	1 009 601
B	LM341 Mosisoa	-	-	-	-	-	-	-	-	-	-	32 713	44 640
B	LM343 Thulamela	-	-	-	-	7 000	5 000	-	-	-	-	141 112	151 127
B	LM344 Makhado	-	-	-	-	-	-	-	-	-	-	122 825	122 825
B	LM345 Vhembe District Municipality	-	-	-	-	-	-	-	-	-	-	98 889	110 146
C	DC34 Vhembe District Municipality	-	-	-	-	-	-	-	-	-	-	655 650	688 616
Total: Vhembe Municipalities		-	-	7 000	5 000	-	-	-	-	-	-	1 053 061	1 111 200
B	LM351 Bhebe	-	-	-	-	-	-	-	-	-	-	84 546	75 582
B	LM353 Melenole	-	-	-	-	-	-	-	-	-	-	39 792	51 458
B	LM354 Pekawane	426 044	406 823	40 000	40 000	45 000	45 000	-	-	199 196	208 005	933 284	822 838
B	LM355 Lepelle-Mopani District Municipality	-	-	-	-	-	-	-	-	-	-	46 313	46 313
C	DC35 Lepelle-Mopani District Municipality	-	-	-	-	-	-	-	-	-	-	331 138	344 224
Total: Capricorn Municipalities		426 044	406 823	40 000	40 000	45 000	45 000	-	-	199 196	208 005	1 509 388	1 467 462
B	LM361 Thabazimbi	-	-	-	-	-	-	-	-	-	-	62 573	69 134
B	LM362 Lephalale	-	-	-	-	-	-	-	-	-	-	83 592	125 059
B	LM366 Bela-Bela	-	-	-	-	-	-	-	-	-	-	92 140	95 036
B	LM367 Mopani	-	-	-	-	-	-	-	-	-	-	234 367	234 426
B	LM368 Mootsoa-Mookgaping	-	-	-	-	-	-	-	-	-	-	41 225	43 029
C	DC37 Mopani District Municipality	-	-	-	-	-	-	-	-	-	-	2 281	2 281
Total: Waterberg Municipalities		-	-	-	-	-	-	-	-	-	-	566 678	618 224
B	LM471 Ephraim Mogale	-	-	-	-	-	-	-	-	-	-	37 821	44 994
B	LM472 Elias Moseledi	-	-	-	-	-	-	-	-	-	-	79 666	79 794
B	LM473 Makhadimanga	-	-	-	-	-	-	-	-	-	-	76 915	74 072
B	LM476 Ficksburg/Tshepo	-	-	-	-	-	-	-	-	-	-	126 588	111 974
C	DC37 Sekake District Municipality	-	-	-	-	-	-	-	-	-	-	601 681	634 442
Total: Sekake Municipalities		-	-	-	-	-	-	-	-	-	-	798 011	778 474
Total: Limpopo Municipalities		426 044	406 823	47 000	45 000	50 000	50 000	-	-	199 196	208 005	5 044 951	5 144 133
MPUMALANGA													
B	MP201 Chief Albert Luthuli	-	-	-	-	-	-	-	-	-	-	337 598	336 242
B	MP202 Mookgongona	-	-	-	-	-	-	-	-	-	-	299 035	233 635
B	MP203 Mopani	-	-	-	-	-	-	-	-	-	-	144 630	144 630
B	MP204 Dr Pixley ka Isaka Seme	-	-	-	-	-	-	-	-	-	-	49 722	58 906
B	MP205 Leribe	-	-	-	-	-	-	-	-	-	-	39 514	48 832
B	MP206 Dipaleang	-	-	-	-	-	-	-	-	-	-	42 943	36 708
B	MP207 Govan Mbeki	-	-	-	-	-	-	-	-	-	-	89 932	99 849
C	DC30 Govan Mbeki District Municipality	-	-	-	-	-	-	-	-	-	-	2 476	2 485
Total: Gert Sibande Municipalities		-	-	-	-	-	-	-	-	-	-	1 009 290	919 399
B	MP211 Victor Khanye	-	-	-	-	-	-	-	-	-	-	53 976	62 309
B	MP212 Enkeldoorn	-	-	-	-	-	-	-	-	-	-	207 775	212 629
B	MP213 Steve Biko	-	-	1 000	10 000	-	10 000	-	-	-	-	230 705	192 924
B	MP214 Enkhokozo	76 305	58 924	-	-	-	-	-	-	-	-	54 272	61 064
B	MP215 Thembekile Hani	-	-	-	-	-	-	-	-	-	-	182 661	178 204
B	MP216 Dr JS Moroka	-	-	-	-	-	-	-	-	-	-	153 660	150 239
C	DC31 Mampela District Municipality	-	-	-	-	-	-	-	-	-	-	2 332	2 341
Total: Mampela Municipalities		76 305	58 924	1 000	10 000	10 000	10 000	-	-	-	-	952 381	859 140
B	MP221 Thabo Chwenkwe	-	-	-	-	-	-	-	-	-	-	115 907	138 248
B	MP224 Nkomozeli	-	-	-	-	-	-	-	-	-	-	516 939	391 026
B	MP225 Bushackage	-	-	-	-	5 000	5 000	-	-	-	-	495 851	496 242
B	MP226 City of Mbombela	-	-	1 000	10 000	-	10 000	-	-	-	-	484 306	576 319
C	DC32 Ehlerzen District Municipality	-	-	-	-	-	-	-	-	-	-	2 516	2 525
Total: Ehlerzen Municipalities		76 305	58 924	1 000	15 000	15 000	15 000	-	-	-	-	1 617 518	1 604 370
Total: Mpumalanga Municipalities		76 305	58 924	2 000	25 000	25 000	25 000	-	-	-	-	3 589 179	3 582 900

ANNEXURE M5
INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2

Category	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	
	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)
NORTHERN CAPE												
B NC061 Richtersveld	-	-	-	-	-	-	-	-	-	-	17 697	24 727
B NC062 Nam-Kwa	-	-	-	-	-	-	-	-	-	-	41 000	21 601
B NC063 Tsitsikamma	-	-	-	-	-	-	-	-	-	-	12 399	22 399
B NC064 Plettenberg	-	-	-	-	-	-	-	-	-	-	13 663	13 663
B NC065 Humansdorp	-	-	-	-	-	-	-	-	-	-	71 493	96 203
B NC066 Kanio-Booqand	-	-	-	-	-	-	-	-	-	-	30 562	10 734
B NC067 Kibi-Ma	-	-	-	-	-	-	-	-	-	-	9 700	17 578
C DC5 Namaquala District Municipality	-	-	-	-	-	-	-	-	-	-	3 106	3 118
Total: Namaquala District Municipality	-	-	-	-	-	-	-	-	-	-	186 573	192 588
B NC071 Uitenhage	-	-	-	-	-	-	-	-	-	-	29 735	27 460
B NC072 Port Elizabeth	-	-	-	-	-	-	-	-	-	-	47 584	47 584
B NC073 Grahamstown	-	-	-	-	-	-	-	-	-	-	41 189	34 331
B NC074 Keelburg	-	-	-	-	-	-	-	-	-	-	27 006	15 674
B NC075 Rensselaersburg	-	-	-	-	-	-	-	-	-	-	12 862	20 999
B NC076 Thekensille	-	-	-	-	-	-	-	-	-	-	21 134	28 920
B NC077 Spynskops	-	-	-	-	-	-	-	-	-	-	10 572	18 840
B NC078 Spynskops	-	-	-	-	-	-	-	-	-	-	27 396	40 011
C DC7 Plettenberg Seaside District Municipality	-	-	-	-	-	-	-	-	-	-	3 250	3 252
Total: Plettenberg Seaside District Municipality	-	-	-	-	-	-	-	-	-	-	210 071	213 230
B NC082 Kgaladi	-	-	-	-	-	-	-	-	-	-	40 517	46 035
B NC084 Khesi	-	-	-	-	-	-	-	-	-	-	16 567	23 333
B NC085 Tsamabane	-	-	-	-	-	-	-	-	-	-	128 267	115 723
B NC086 Kgalekhele	-	-	-	-	15 000	-	-	-	-	-	20 510	24 653
B NC087 David Kramer	-	-	-	-	-	-	-	-	-	-	53 608	59 044
C DC8 Z.F. Mgcawu District Municipality	-	-	-	-	-	-	-	-	-	-	3 067	3 079
Total: Z.F. Mgcawu District Municipality	-	-	-	-	-	-	-	-	-	-	246 536	271 867
B NC091 Sed Phelele	-	-	-	-	10 000	15 000	-	-	-	-	134 338	120 786
B NC092 Dikgatlong	70 390	59 018	-	20 000	30 000	-	-	-	-	-	24 763	30 566
B NC093 Magelang	-	-	-	-	-	-	-	-	-	-	23 612	14 454
B NC094 Phokwane	-	-	-	-	-	-	-	-	-	-	54 538	63 614
C DC9 Frances Baard District Municipality	-	-	-	-	-	-	-	-	-	-	2 697	2 707
Total: Frances Baard District Municipality	70 390	59 018	-	20 000	30 000	-	-	-	-	-	239 948	232 127
B NC451 Joe Moleletse	-	-	-	-	-	-	-	-	-	-	108 496	130 670
B NC452 Goshononon	-	-	-	-	32 809	-	-	-	-	-	131 562	147 011
B NC453 Gamaqaba	-	-	-	10 574	25 000	-	-	-	-	-	40 408	31 449
C DC45 John Tsoela-Gcwane District Municipality	-	-	-	-	-	-	-	-	-	-	2 122	2 130
Total: John Tsoela-Gcwane District Municipality	-	-	-	-	-	-	-	-	-	-	242 588	358 626
Total: Northern Cape Municipalities	70 390	59 018	25 574	55 000	77 809	-	-	-	-	-	1 181 716	1 266 128
NORTH WEST												
B NW071 Moretele	-	-	-	-	-	-	-	-	-	-	196 680	212 746
B NW072 Moshong	-	-	-	-	-	-	-	-	-	-	369 908	364 702
B NW073 Rustenburg	-	-	2 000	10 000	5 000	-	-	-	-	238 721	688 162	679 588
B NW074 Kgatleng River	-	-	-	-	-	-	-	-	-	-	29 056	50 209
B NW075 Moses Kotane	-	-	-	-	-	-	-	-	-	-	241 967	253 961
C DC37 Bejanjale Platinum District Municipality	-	-	-	-	-	-	-	-	-	-	2 539	2 539
Total: Bejanjale Platinum District Municipality	-	-	2 000	10 000	5 000	-	-	-	-	238 721	1 451 391	1 542 319
B NW801 Redou	-	-	-	-	-	-	-	-	-	-	33 155	34 504
B NW802 Tswaing	-	-	-	-	-	-	-	-	-	-	38 510	45 352
B NW803 Mafikeng	-	-	-	-	-	-	-	-	-	-	88 187	77 286
B NW804 Ditsobotla	-	-	-	-	-	-	-	-	-	-	611 251	688 162
B NW805 Ramothabane	-	-	-	-	-	-	-	-	-	-	41 395	43 139
C DC38 Ngaka Modiri Molema District Municipality	-	-	-	-	-	-	-	-	-	-	42 106	53 882
Total: Ngaka Modiri Molema District Municipality	-	-	-	-	-	-	-	-	-	-	347 553	383 833
B NW902 Naledi	-	-	-	-	-	-	-	-	-	-	587 906	617 998
B NW903 Mmasisa	-	-	-	-	-	-	-	-	-	-	25 280	35 986
B NW904 Greater Tlokoeng	-	-	-	-	-	-	-	-	-	-	23 410	27 933
B NW906 Lekwa-Tsemane	-	-	-	-	-	-	-	-	-	-	54 163	56 517
B NW907 Kagisano-Molopo	-	-	-	-	-	-	-	-	-	-	16 300	26 842
C DC39 Dr Ruth Segamane Montshoane District Municipality	-	-	-	-	-	-	-	-	-	-	33 926	35 313
Total: Dr Ruth Segamane Montshoane District Municipality	-	-	-	-	-	-	-	-	-	-	304 203	328 553
B NW403 City of Mafikeng	-	-	-	-	-	-	-	-	-	-	179 927	202 376
B NW404 Mgaosai Hill	-	-	-	-	20 000	-	-	-	-	-	61 782	70 665
B NW405 JB Marks	-	-	-	-	5 000	-	-	-	-	-	157 122	116 595
C DC40 Dr Kenneth Kaunda District Municipality	-	-	-	-	-	-	-	-	-	-	2 632	2 642
Total: Dr Kenneth Kaunda District Municipality	-	-	-	-	25 000	-	-	-	-	-	401 463	391 678
Total: North West Municipalities	-	-	32 000	50 000	30 000	-	-	-	238 721	248 902	3 244 962	3 490 548
Total: North West Municipalities	-	-	-	-	-	-	-	-	-	-	-	3 401 119

ANNEXURE W-5
 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		
		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)	
WESTERN CAPE														
A	CPT City of Cape Town	-	-	175 699	185 699	30 000	549 012	573 210	998 952	1 033 373	1 314 261	1 023 755	3 999 764	4 152 728
B	WC011 Matieland	-	-	-	-	-	-	-	-	-	-	-	43 013	58 646
B	WC012 Cedarberg	-	-	-	-	-	-	-	-	-	-	-	41 309	38 898
B	WC013 Overberg	-	-	-	-	-	-	-	-	-	-	-	19 167	21 545
B	WC014 Saldanha Bay	-	-	-	-	-	-	-	-	-	-	-	21 634	29 432
B	WC015 Swartland	-	-	-	-	-	-	-	-	-	-	-	51 410	29 711
C	DC1 West Coast District Municipality	-	-	-	-	-	-	-	-	-	-	-	2 707	2 718
	Total: West Coast Municipalities	-	-	-	-	-	-	-	-	-	-	-	179 240	156 464
B	WC022 Wierzenberg	-	-	-	-	-	-	-	-	-	-	-	60 031	44 353
B	WC023 Drakenstein	61 989	41 344	-	-	-	-	-	-	-	-	-	71 989	60 344
B	WC024 Stellenbosch	65 747	43 821	-	-	-	-	-	-	-	-	-	94 097	48 114
B	WC025 Breede Valley	-	-	-	-	-	-	-	-	-	-	-	69 094	99 614
B	WC026 Langeberg	-	-	5 000	15 000	-	-	-	-	-	-	-	29 597	47 257
C	DC2 Cape Winelands District Municipality	-	-	-	-	-	-	-	-	-	-	-	2 877	2 888
	Total: Cape Winelands Municipalities	127 736	83 458	5 000	15 000	15 000	-	-	-	-	-	-	327 685	302 570
B	WC031 Theewaterskloof	-	-	-	-	-	-	-	-	-	-	-	29 728	40 913
B	WC032 Overstrand	-	-	-	-	-	-	-	-	-	-	-	78 398	36 768
B	WC033 Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	33 277	29 262
B	WC034 Swellendam	-	-	-	-	-	-	-	-	-	-	-	19 442	17 389
C	DC3 Overberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	2 835	2 846
	Total: Overberg Municipalities	-	-	-	-	-	-	-	-	-	-	-	163 680	127 178
B	WC041 Kamaland	-	-	-	-	-	-	-	-	-	-	-	11 083	25 374
B	WC042 Hessequa	-	-	-	-	-	-	-	-	-	-	-	31 875	22 461
B	WC043 Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	40 107	40 102
B	WC044 George	-	-	5 000	5 000	-	-	191 410	-	-	143 171	148 640	518 102	713 457
B	WC045 Outshoorn	-	-	-	-	-	-	-	-	-	-	-	33 325	37 745
B	WC047 Bitou	-	-	5 000	5 000	10 000	-	-	-	-	-	-	40 305	35 097
B	WC048 Knysna	-	-	-	-	-	-	-	-	-	-	-	54 844	40 222
C	DC4 Garden Route District Municipality	-	-	-	-	-	-	-	-	-	-	-	7 594	6 694
	Total: Garden Route Municipalities	-	-	5 000	5 000	15 000	-	-	-	-	191 410	143 171	737 235	921 062
B	WC051 Langsburg	-	-	-	-	-	-	-	-	-	-	-	24 230	21 319
B	WC052 Prince Albert	-	-	-	-	-	-	-	-	-	-	-	14 508	14 774
B	WC053 Beaufort West	-	-	-	-	-	-	-	-	-	-	-	54 792	22 849
C	DC5 Central Karoo District Municipality	-	-	-	-	-	-	-	-	-	-	-	2 055	2 063
	Total: Central Karoo Municipalities	-	-	-	-	-	-	-	-	-	-	-	95 585	61 065
	Total: Western Cape Municipalities	127 736	83 458	185 699	200 699	60 000	549 012	573 210	998 952	1 033 373	1 505 671	1 746 926	4 516 941	4 968 043
	Unallocated	-	-	-	-	-	-	-	-	-	-	-	-	-
	National Total	1 085 368	1 122 764	1 339 074	1 474 813	647 022	4 189 530	4 364 782	4 540 802	8 021 055	6 013 892	6 689 045	45 571 492	48 551 216

ANNEXURE W/6

**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 Systems Improvement Grant		Integrated National Electrification Programme (Iskem) Grant		Neighbourhood Development Partnership Grant (Technical Assistance)		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL - INDIRECT			
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)		
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)		
EASTERN CAPE															
A	BUF Buffalo City	-	-	73,625	50,110	79,738	-	-	-	-	-	-	75,125	51,610	81,238
A	NMA Nelson Mandela Bay	293	250	-	-	-	-	-	-	-	-	-	1,793	2,750	1,750
B	EC101 Dr Beyers Naude	-	-	585	2,760	4,945	-	-	-	-	-	-	47,585	20,760	4,945
B	EC102 Blue Crane Route	-	-	9,765	6,037	10,482	-	-	-	-	-	-	39,765	42,780	37,225
B	EC104 Makana	-	-	115	2,322	3,864	-	-	-	-	-	-	56,361	12,322	3,864
B	EC105 Ndlambe	-	-	5,499	5,982	10,885	-	-	-	-	-	-	9,999	5,982	10,885
B	EC106 Sundays River Valley	-	-	9,946	13,324	10,396	-	-	-	-	-	-	9,946	13,324	10,396
B	EC108 Kouga	-	-	3,878	2,619	7,429	-	-	-	-	-	-	13,878	3,619	7,429
B	EC109 Kou-Kamma	-	-	-	-	-	-	-	-	-	-	-	1,475	1,260	1,260
C	DC10 Sarah Baartman District Municipality	1,475	1,260	29,788	33,044	48,001	-	-	-	-	-	-	179,009	100,047	76,004
Total: Sarah Baartman Municipalities															
B	EC121 Mbashe	-	-	111,987	116,933	101,924	-	-	-	-	-	-	111,987	116,933	101,924
B	EC122 Mtqama	-	-	24,794	27,462	43,793	-	-	-	-	-	-	24,794	27,462	43,793
B	EC123 Great Kei	-	-	13,414	10,708	16,790	-	-	-	-	-	-	13,414	10,708	16,790
B	EC124 Anakhithi	-	-	13,708	29,935	46,719	-	-	-	-	-	-	13,708	29,935	46,719
B	EC126 Ngqushu	-	-	7,337	7,258	11,902	-	-	-	-	-	-	7,337	7,258	11,902
B	EC129 Raymond Mkhabela	-	-	35,995	39,353	28,923	-	-	-	-	-	-	35,995	39,353	28,923
C	DC12 Amatole District Municipality	4,895	4,180	297,888	331,649	290,061	-	-	-	-	-	-	227,830	246,417	282,278
Total: Amatole Municipalities															
B	EC131 Inshaba Yethemba	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	EC135 Inshaba Yethu	-	-	18,400	14,269	20,082	-	-	-	-	-	-	18,400	14,269	20,082
B	EC136 Enabuleni	-	-	11,755	12,650	14,915	-	-	-	-	-	-	11,755	12,650	14,915
B	EC137 Engobo	-	-	14,933	16,192	24,006	-	-	-	-	-	-	14,933	16,192	24,006
B	EC138 Sakhisizwe	-	-	10,822	10,500	11,678	-	-	-	-	-	-	10,822	10,500	11,678
B	EC139 Enoch Mgijima	-	-	15,908	17,175	19,234	-	-	-	-	-	-	15,908	17,175	19,234
C	DC13 Chris Hani District Municipality	2,857	2,440	71,818	70,786	89,915	-	-	-	-	-	-	74,675	73,226	92,355
Total: Chris Hani Municipalities															
B	EC141 Elundini	-	-	54,442	43,676	50,169	-	-	-	-	-	-	54,442	43,676	50,169
B	EC142 Senqun	-	-	10,728	16,330	18,630	-	-	-	-	-	-	10,728	16,330	18,630
B	EC145 Walter Sisulu	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC14 Joe Gqibh District Municipality	4,262	3,640	65,170	60,006	68,799	-	-	-	-	-	-	4,262	3,640	3,640
Total: Joe Gqibh Municipalities															
B	EC153 Ngquna Hill	-	-	27,442	30,492	42,987	-	-	-	-	-	-	27,442	30,492	42,987
B	EC154 Port St Johns	-	-	16,020	18,412	29,014	-	-	-	-	-	-	16,020	18,412	29,014
B	EC155 Nsindeni	-	-	21,908	23,575	25,473	1,000	100	-	-	-	-	22,908	23,675	25,573
B	EC156 Mthombo	-	-	15,149	11,788	15,899	-	-	-	-	-	-	15,149	11,788	15,899
B	EC157 King Sabata Dalindyebo	-	-	84,784	79,205	76,814	-	-	-	-	-	-	86,784	79,305	76,814
C	DC15 O.R. Tambo District Municipality	2,857	2,440	165,303	163,472	190,187	-	-	-	-	-	-	227,830	246,417	282,278
Total: O.R. Tambo Municipalities															
B	EC441 Matielale	-	-	30,418	42,014	42,273	-	-	-	-	-	-	30,418	42,014	42,273
B	EC442 Umzimvubu	-	-	158,289	120,895	53,257	-	-	-	-	-	-	158,289	120,895	53,257
B	EC443 Wintme Madikizela/Mandela	-	-	27,555	45,457	46,235	100	100	-	-	-	-	27,655	45,557	46,335
B	EC444 Ntabelalu	-	-	8,771	12,719	11,505	-	-	-	-	-	-	8,771	12,719	11,505
C	DC44 Alfred Nzo District Municipality	2,787	2,380	225,033	221,085	152,270	-	-	-	-	-	-	17,787	46,349	62,380
Total: Alfred Nzo Municipalities															
Total: Eastern Cape Municipalities		19,427	16,890	837,972	830,152	879,961	6,100	4,300	3,200	355,681	353,749	369,841	1,240,880	1,201,991	1,240,892

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

Category	Municipality	Municipal Systems Improvement Grant		Integrated National Electrification Programme (ISem) Grant		Neighbourhood Development Partnership Grant (Technical Assistance)		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL - INDIRECT			
		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)		
		1 405	1 200	2 100	2 410	100	100	1 000	1 000	2 223	2 023	2 610	3 610		
FREETATE															
A	MAN Mungwang	1 698	1 450	1 450	11 682	397	100	100	-	-	-	-	22 610	13 232	1 947
B	FS161 Lesemeng	-	-	-	92	92	-	-	-	-	-	-	92	92	92
B	FS162 Kopung	-	-	-	46	46	-	-	-	-	-	-	1 046	2 245	46
B	FS163 Mobbare	-	-	-	72	72	-	-	-	-	-	-	72	73	72
C	DC16 Xhariep District Municipality	1 405	1 200	1 200	-	-	-	-	-	-	-	-	1 405	1 200	1 200
Total Xhariep Municipalities															
		1 405	1 200	1 200	2 410	210	100	100	1 000	1 000	2 223	2 023	2 610	3 610	1 410
B	FS181 Maitsonyama	-	-	-	46	46	-	-	60 000	223 000	95 000	-	60 046	224 081	95 046
B	FS182 Tokologo	-	-	-	46	46	-	-	78 236	80 900	30 000	-	78 282	81 406	30 046
B	FS183 Tswelopele	-	-	-	411	5 218	7 010	-	13 329	10 000	50 447	-	13 740	15 218	57 457
B	FS184 Muthabeng	-	-	-	17 466	11 738	24 034	100	15 000	50 999	100 000	-	32 566	62 837	124 134
B	FS185 Nala	-	-	-	109	1 250	14 245	-	-	-	-	-	109	1 250	14 245
C	DC18 Lejolele District Municipality	4 216	3 600	3 600	-	-	-	-	-	-	-	-	4 216	3 600	3 600
Total Lejolele Municipalities															
		4 216	3 600	3 600	18 078	45 381	100	100	166 565	364 899	275 447	-	188 959	388 392	324 528
B	FS191 Setsoto	-	-	-	12 146	7 097	12 771	-	304 779	139 000	60 000	-	377 563	7 097	12 771
B	FS192 Dhlhlabeng	-	-	-	792	12 645	31 242	-	50 000	130 000	130 000	-	50 792	151 645	91 262
B	FS193 Ncorana	-	-	-	13 301	20 156	92	-	236 473	120 000	130 000	-	249 774	140 156	130 092
B	FS194 Maitse-Phofung	-	-	-	29 805	329	5 500	100	67 000	71 000	192 000	-	96 303	71 429	197 600
B	FS195 Phumlela	-	-	-	141	1 464	141	-	15 000	10 000	-	-	141	1 464	141
B	FS196 Mantsopa	-	-	-	5 720	380	1 004	-	-	-	-	-	20 720	10 380	1 004
C	DC19 Thabo Mofutsanyana District Municipality	4 216	3 600	3 600	-	-	-	-	-	-	-	-	4 216	3 600	3 600
Total Thabo Mofutsanyana Municipalities															
		4 216	3 600	3 600	61 903	42 071	50 750	100	673 252	340 000	382 000	60 638	801 509	385 771	436 450
B	FS201 Mophaka	-	-	-	72	23 555	10 034	-	-	-	-	-	72	23 555	10 034
B	FS203 Ngwanhe	-	-	-	53	102	53	-	-	-	-	-	53	102	100 053
B	FS204 Metsimaholo	-	-	-	1 114	-	-	100	50 000	5 000	100 000	-	50 273	6 214	100
B	FS205 Mafube	-	-	-	53	102	53	-	55 000	15 000	-	-	55 053	15 102	53
C	DC20 Fegile Dabi District Municipality	2 810	2 400	2 400	-	-	-	-	-	-	-	-	2 810	2 400	2 400
Total Fegile Dabi Municipalities															
		2 810	2 400	2 400	351	24 873	10 140	100	105 000	20 000	100 000	-	108 261	47 373	112 640
Total Free State Municipalities															
		14 345	12 250	12 250	101 354	106 878	1 800	400	945 817	724 899	757 447	60 638	1 123 954	838 378	876 975
GAUTENG															
A	EKU City of Ekurhuleni	-	-	-	76 874	15 755	19 936	500	-	-	-	-	77 374	16 255	20 436
A	JHB City of Johannesburg	-	-	-	25 082	20 347	80 544	500	-	-	-	-	25 582	20 847	80 544
A	TSH City of Tshwane	-	-	-	76 236	20 979	42 205	500	-	-	-	-	8 126	21 479	42 705
B	GT421 Emfuleni	-	-	-	3 224	4 936	17 433	2 000	519 410	753 023	819 665	45 414	570 048	828 184	906 252
B	GT422 Midvaal	-	-	-	1 254	1 254	100	100	60 000	30 000	-	-	60 100	31 354	100
B	GT423 Lesedi	-	-	-	1 184	10 350	100	100	-	-	-	-	284	10 450	100
C	DC42 Sediberg District Municipality	1 405	1 200	1 200	-	-	-	-	-	-	-	-	1 405	1 200	1 200
Total Sediberg Municipalities															
		1 405	1 200	1 200	3 408	16 540	17 433	2 200	579 410	783 023	819 665	45 414	631 837	871 188	907 652
B	GT481 Mogale City	-	-	-	2 913	30 514	66 850	10 000	-	-	-	-	13 913	56 516	107 811
B	GT484 Morningside City	-	-	-	22 860	25 687	16 058	100	90 000	183 256	190 000	-	22 860	25 687	190 000
B	GT485 Rand West City	-	-	-	66 907	99 447	16 058	100	-	-	-	-	157 067	282 803	206 158
C	DC48 West Rand District Municipality	-	-	-	92 780	155 648	82 908	12 100	90 000	183 256	190 000	-	2 000	48 000	1 000
Total West Rand Municipalities															
		1 405	1 200	1 200	205 730	229 269	243 026	15 800	609 410	966 279	1 009 665	45 414	937 759	1 342 775	1 366 306

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

Category	Municipality	Municipal System Improvement Grant				Integrated National Electrification Programme (Ekholo) Grant				Neighbourhood Development Partnership Grant (Technical Assistance)				Regional Bulk Infrastructure Grant				Water Services Infrastructure Grant				SUB-TOTAL INDIRECT			
		2023/23		2023/24		2023/23		2023/24		2023/23		2023/24		2023/23		2023/24		2023/23		2023/24		2023/23		2023/24	
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
KWAZULU-NATAL																									
A	EHh ethakwini	-	-	-	-	41 554	-	-	2 326	500	500	-	-	-	-	-	-	-	-	-	-	48 054	500	2 828	
B	KZN212 uMkhosi	-	-	-	-	79 161	111 860	180 160	-	-	-	-	-	-	-	-	-	-	-	-	-	79 161	111 860	180 160	
B	KZN213 uMhlabisa	-	-	-	-	20 534	20 532	26 504	-	-	-	-	-	-	-	-	-	-	-	-	-	20 534	20 532	26 504	
B	KZN214 uMhlabisa	-	-	-	-	17 179	17 179	26 504	-	-	-	-	-	-	-	-	-	-	-	-	-	17 179	17 179	26 504	
B	KZN216 Ingonyama	-	-	-	-	11 624	12 844	13 256	2 000	2 000	2 000	-	-	-	-	-	-	-	-	-	-	11 624	14 844	37 556	
C	DK21. Leno District Municipality	3 244	2 770	2 770	2 770	138 608	144 136	248 464	2 000	2 000	2 000	-	-	-	-	-	-	-	-	-	3 244	2 770	2 770	2 770	
Totals KwaZulu-Natal Municipalities																									
		6 300	5 380	5 380	5 380	94 237	147 912	53 098	1 000	1 000	1 000	-	-	-	-	-	-	-	-	-	101 557	153 302	58 578		
B	KZN221 uMkhasini	-	-	-	-	700	9 840	5 112	-	-	-	-	-	-	-	-	-	-	-	-	700	9 840	5 112		
B	KZN222 uMkhasini	-	-	-	-	65 540	1 000	32 424	2 000	100	100	-	-	-	-	-	-	-	-	-	65 540	1 000	32 524		
B	KZN223 uMkhasini	-	-	-	-	6 957	1 000	32 424	2 000	100	100	-	-	-	-	-	-	-	-	-	6 957	1 000	32 524		
B	KZN238 Alfred Duma	4 192	3 580	3 580	3 580	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 192	3 580	3 580		
C	DK23. uMkhambane District Municipality	4 192	3 580	3 580	3 580	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 192	3 580	3 580		
Totals uMkhambane District Municipality																									
		6 300	5 380	5 380	5 380	94 237	147 912	53 098	1 000	1 000	1 000	-	-	-	-	-	-	-	-	-	101 557	153 302	58 578		
B	KZN241 uMkhasini	-	-	-	-	3 371	15 912	5 976	-	-	-	-	-	-	-	-	-	-	-	-	3 371	15 912	5 976		
B	KZN242 uMkhasini	-	-	-	-	12 155	29 900	124 156	-	-	-	-	-	-	-	-	-	-	-	-	12 155	29 900	124 156		
B	KZN244 uMkhasini	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
B	KZN245 uMkhasini	-	-	-	-	-	-	28 896	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
C	DK24. uMkhasini District Municipality	2 787	2 380	2 380	2 380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 787	2 380	2 380		
Totals uMkhasini District Municipality																									
		2 787	2 380	2 380	2 380	15 526	44 912	159 024	-	-	-	-	-	-	-	-	-	-	-	-	18 313	47 292	161 408		
B	KZN252 Newcastle	-	-	-	-	30 553	26 400	10 824	100	100	100	-	-	-	-	-	-	-	-	-	30 553	26 500	10 924		
B	KZN253 uMhlabisa	-	-	-	-	3 286	13 932	1 848	-	-	-	-	-	-	-	-	-	-	-	-	3 286	13 932	1 848		
B	KZN254 uMhlabisa	-	-	-	-	1 020	2 352	2 352	-	-	-	-	-	-	-	-	-	-	-	-	1 020	2 352	2 352		
B	KZN255 uMhlabisa	-	-	-	-	3 266	2 380	2 380	-	-	-	-	-	-	-	-	-	-	-	-	3 266	2 380	2 380		
C	DK25. uMhlabisa District Municipality	2 787	2 380	2 380	2 380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 787	2 380	2 380		
Totals uMhlabisa District Municipality																									
		2 787	2 380	2 380	2 380	36 899	39 032	15 024	100	100	100	-	-	-	-	-	-	-	-	-	39 770	41 912	17 504		
B	KZN261 uMhlabisa	-	-	-	-	3 444	12 992	8 616	-	-	-	-	-	-	-	-	-	-	-	-	3 444	12 992	8 616		
B	KZN262 uMhlabisa	-	-	-	-	13 407	9 600	3 096	-	-	-	-	-	-	-	-	-	-	-	-	13 407	9 600	3 096		
B	KZN263 uMhlabisa	-	-	-	-	950	6 000	17 304	-	-	-	-	-	-	-	-	-	-	-	-	950	6 000	17 304		
B	KZN265 Nongoma	-	-	-	-	21 754	18 900	76 462	-	-	-	-	-	-	-	-	-	-	-	-	21 754	18 900	76 462		
B	KZN266 uMhlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
C	DK26. uMhlabisa District Municipality	2 787	2 380	2 380	2 380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 787	2 380	2 380		
Totals uMhlabisa District Municipality																									
		2 787	2 380	2 380	2 380	39 555	46 092	145 198	-	-	-	-	-	-	-	-	-	-	-	-	42 343	49 272	147 578		
B	KZN271 uMhlabisa	-	-	-	-	108 843	49 344	26 016	-	-	-	-	-	-	-	-	-	-	-	-	108 843	49 344	26 016		
B	KZN272 uMhlabisa	-	-	-	-	83 135	31 524	34 816	-	-	-	-	-	-	-	-	-	-	-	-	83 135	31 524	34 816		
B	KZN275 uMhlabisa	-	-	-	-	15 107	8 400	15 768	-	-	-	-	-	-	-	-	-	-	-	-	15 107	8 400	15 768		
B	KZN276 Big Five Hubisa	-	-	-	-	300	10 800	15 768	-	-	-	-	-	-	-	-	-	-	-	-	300	10 800	15 768		
C	DK27. uMhlabisa District Municipality	4 192	3 580	3 580	3 580	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 192	3 580	3 580		
Totals uMhlabisa District Municipality																									
		4 192	3 580	3 580	3 580	207 485	99 418	76 600	-	-	-	-	-	-	-	-	-	-	-	-	21 677	103 398	80 800		
B	KZN281 uMhlabisa	-	-	-	-	2 100	39 264	-	-	-	-	-	-	-	-	-	-	-	-	-	2 100	39 264	-		
B	KZN282 uMhlabisa	-	-	-	-	21 501	6 024	14 208	-	-	-	-	-	-	-	-	-	-	-	-	21 501	6 024	14 208		
B	KZN284 uMhlabisa	-	-	-	-	20 253	153 400	22 824	-	-	-	-	-	-	-	-	-	-	-	-	20 253	153 400	22 824		
B	KZN285 uMhlabisa	-	-	-	-	7 260	2 712	1 728	-	-	-	-	-	-	-	-	-	-	-	-	7 260	2 712	1 728		
B	KZN286 uMhlabisa	-	-	-	-	10 151	6 254	26 868	-	-	-	-	-	-	-	-	-	-	-	-	10 151	6 254	26 868		
C	DK28. uMhlabisa District Municipality	2 827	2 500	2 500	2 500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 827	2 500	2 500		
Totals uMhlabisa District Municipality																									
		2 827	2 500	2 500	2 500	61 871	208 124	65 540	-	-	-	-	-	-	-	-	-	-	-	-	64 798	210 624	68 668		
B	KZN291 uMhlabisa	-	-	-	-	8 282	-	15 912	-	-	-	-	-	-	-	-	-	-	-	-	8 282	-	15 912		
B	KZN292 uMhlabisa	-	-	-	-	6 459	2 400	6 480	1 000	48 972	-	-	-	-	-	-	-	-	-	-	6 459	1 000	48 972		
B	KZN293 uMhlabisa	-	-	-	-	1 200	120 546	12 408	-	-	-	-	-	-	-	-	-	-	-	-	1 200	120 546	12 408		
C	DK29. uMhlabisa District Municipality	2 857	2 440	2 440	2 440	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 857	2 440	2 440		
Totals uMhlabisa District Municipality																									
		2 857	2 440	2 440	2 440	15 941	122 946	34 800	39 626	1 000	48 972	-	-	-	-	-	-	-	-	-	58 223	128 306	86 712		
B	KZN313 uMhlabisa	-	-	-	-	6 554	10 644	1 200	-	-	-	-	-	-	-	-	-	-	-	-	6 554	10 644	1 200		
B	KZN314 uMhlabisa	-	-	-	-	1 500	10 104	6 288	-	-	-	-	-	-	-	-	-	-	-	-	1 500	10 104	6 288		
B	KZN315 uMhlabisa	-	-	-	-	11 404	31 224	22 656	-	-	-	-	-	-	-	-	-	-	-	-	11 404	31 224	22 656		
B	KZN316 uMhlabisa	-	-	-	-	1 200	16 944	22 656	-	-	-	-	-	-	-	-	-	-	-	-	1 200	16 944	22 656		
C	DK31. uMhlabisa District Municipality	2 863	2 550	2 550	2 550	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 863	2 550	2 550		
Totals uMhlabisa District Municipality																									
		2 863	2 550	2 550	2 550	20 608	37 412	61 368	-	-	-	-	-	-	-	-	-	-	-	-	23 621	40 462	43 898		
Totals KwaZulu-Natal Municipalities																									
		35 006	29 920	29 920	29 920	741 431	902 524	899 012	45 226	3 800	51 172	-	-	-	-	-	-	-	-	-	821 693	936 344	990 784		

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

Category	Municipal Systems Improvement Grant		Integrated National Electrification Programme (Isibom) Grant		Neighbourhood Development Partnership Grant (Technical Assistance)		Regional Bulk Infrastructure Grant		Water Services Infrastructure Grant		SUB-TOTAL - INDIRECT	
	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)
WESTERN CAPE												
A	CPT	City of Cape Town	-	-	-	-	1 000	-	-	-	-	189 304
B	WC011	Matieland	-	-	-	-	-	-	-	-	-	-
B	WC012	Celebration	-	-	-	-	-	-	-	-	-	-
B	WC013	Bergvlei	-	-	-	-	-	-	-	-	-	-
B	WC014	Saldanha Bay	-	-	-	-	-	-	-	-	-	-
B	WC015	Swartland	-	-	-	-	-	-	-	-	-	-
C	DC1	West Coast District Municipality	-	-	-	-	-	-	-	-	-	-
	Total: West Coast Municipalities		-	-	-	-	-	-	-	-	-	-
B	WC022	Witzenberg	-	-	-	-	-	-	-	-	-	-
B	WC023	Drakenstein	-	-	-	-	-	-	-	-	-	-
B	WC024	Stellenbosch	-	-	-	-	-	-	-	-	-	-
B	WC025	Breda Valley	-	-	-	-	-	-	-	-	-	-
B	WC026	Langberg	-	-	-	-	-	-	-	-	-	-
C	DC2	Cape Winelands District Municipality	-	-	-	-	-	-	-	-	-	-
	Total: Cape Winelands Municipalities		-	-	-	-	-	-	-	-	-	-
B	WC031	Theewaterskloof	-	-	-	-	-	-	-	-	-	-
B	WC032	Oosvlinder	-	-	-	-	-	-	-	-	-	-
B	WC033	Cape Agulhas	-	-	-	-	-	-	-	-	-	-
B	WC034	Swellendam	-	-	-	-	-	-	-	-	-	-
C	DC3	Oordevlei District Municipality	-	-	-	-	-	-	-	-	-	-
	Total: Overberg Municipalities		-	-	-	-	-	-	-	-	-	-
B	WC041	Kammanland	-	-	-	-	-	-	-	-	-	-
B	WC042	Hessequa	-	-	-	-	-	-	-	-	-	-
B	WC043	Mossel Bay	-	-	-	-	-	-	-	-	-	-
B	WC044	George	-	-	-	-	-	-	-	-	-	-
B	WC045	Oudshoorn	-	-	-	-	-	-	-	-	-	-
B	WC047	Bitou	-	-	-	-	-	-	-	-	-	-
B	WC048	Kayema	-	-	-	-	-	-	-	-	-	-
C	DC4	Garden Route District Municipality	-	-	-	-	-	-	-	-	-	-
	Total: Garden Route Municipalities		-	-	-	-	-	-	-	-	-	-
B	WC051	Langsburg	-	-	-	-	-	-	-	-	-	-
B	WC052	Prince Albert	-	-	-	-	-	-	-	-	-	-
B	WC053	Beaufort West	-	-	-	-	-	-	-	-	-	-
C	DC5	Central Karoo District Municipality	-	-	-	-	-	-	-	-	-	-
	Total: Central Karoo Municipalities		-	-	-	-	-	-	-	-	-	-
	Total: Western Cape Municipalities		-	-	-	-	-	-	-	-	-	-
Unallocated			26 676	33 256								
	National Total		140 331	146 516	153 096	3 821 162	3 821 156	3 992 762	100 902	100 526	771 336	841 499

SUB-TOTAL - INDIRECT		2022/23 (R'000)	2023/24 (R'000)
National		140 331	146 516
Municipal		153 096	3 821 156
Technical Assistance		100 902	100 526
Regional Bulk Infrastructure		771 336	805 332
Water Services Infrastructure		841 499	-
Total		8 065 405	8 481 233

ANNEXURE W7

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

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES			
		National and Municipal Financial Year			National and Municipal Financial Year			
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	
EASTERN CAPE								
A	BUF	Buffalo City	1 045 448	1 118 513	1 196 538	1 976 696	2 050 677	2 186 594
A	NMA	Nelson Mandela Bay	1 288 228	1 389 940	1 499 327	2 610 922	2 773 323	2 915 717
B	EC101	Dr Beyers Naude	107 059	113 403	120 189	193 317	236 137	231 396
B	EC102	Blue Crane Route	63 385	66 766	70 361	93 512	99 486	105 980
B	EC104	Makana	113 634	120 916	128 742	201 230	224 202	230 333
B	EC105	Ndlambe	119 231	127 404	136 203	311 199	234 336	222 112
B	EC106	Sundays River Valley	101 270	109 324	118 080	174 772	184 331	191 789
B	EC108	Kouga	163 292	178 068	194 266	212 024	241 484	257 642
B	EC109	Kou-Kamma	60 474	64 297	68 401	103 269	91 138	99 797
C	DC10	Sarah Baartman District Municipality	104 576	108 076	111 800	110 520	112 741	116 552
Total: Sarah Baartman Municipalities			832 921	888 254	948 042	1 399 843	1 423 855	1 455 601
B	EC121	Mbhashe	294 923	309 715	325 749	485 086	522 914	522 980
B	EC122	Mnquma	307 329	322 690	339 332	414 786	436 714	473 522
B	EC123	Great Kei	50 186	52 669	55 371	90 048	87 389	96 945
B	EC124	Amahlathi	124 987	131 233	138 013	174 164	206 348	231 721
B	EC126	Ngqushwa	97 609	102 491	107 791	145 304	149 015	160 438
B	EC129	Raymond Mhlaba	204 622	214 843	225 922	292 636	313 441	316 552
C	DC12	Amathole District Municipality	1 025 616	1 089 808	1 157 054	1 842 450	1 930 591	2 066 263
Total: Amathole Municipalities			2 105 272	2 223 449	2 349 232	3 444 474	3 646 412	3 868 421
B	EC131	Inxuba Yethemba	50 744	53 513	56 553	77 935	92 040	97 273
B	EC135	Intsika Yethu	187 928	197 362	207 594	269 679	272 706	291 345
B	EC136	Emalahleni	146 186	153 517	161 472	237 849	215 759	227 970
B	EC137	Engcobo	175 143	183 919	193 442	249 735	262 350	282 332
B	EC138	Sakhisizwe	80 323	84 300	88 614	124 930	122 462	130 373
B	EC139	Enoch Mgijima	215 409	227 256	240 103	314 915	320 917	339 115
C	DC13	Chris Hani District Municipality	654 460	694 535	736 185	1 272 760	1 205 193	1 306 842
Total: Chris Hani Municipalities			1 510 193	1 594 402	1 683 963	2 547 803	2 491 427	2 675 250
B	EC141	Elundini	180 384	189 543	199 503	297 590	302 970	322 407
B	EC142	Senqu	177 125	185 969	195 549	234 801	250 490	264 384
B	EC145	Walter Sisulu	70 586	75 058	79 983	106 886	105 833	111 880
C	DC14	Joe Gqabi District Municipality	334 540	355 541	377 446	599 200	609 666	683 193
Total: Joe Gqabi Municipalities			762 635	806 111	852 481	1 238 477	1 268 959	1 381 864
B	EC153	Ngquza Hill	310 567	328 047	347 096	411 466	428 101	464 110
B	EC154	Port St Johns	182 985	192 993	203 901	259 779	261 539	285 089
B	EC155	Nyandeni	313 293	329 933	348 046	409 150	435 784	464 438
B	EC156	Mhlontlo	217 727	228 667	240 534	308 737	310 217	329 176
B	EC157	King Sabata Dalindyebo	404 115	429 505	457 148	609 426	642 442	675 196
C	DC15	O.R. Tambo District Municipality	1 051 671	1 121 633	1 194 795	2 051 344	2 387 212	2 482 359
Total: O.R. Tambo Municipalities			2 480 358	2 630 778	2 791 520	4 049 902	4 465 295	4 700 368
B	EC441	Matatiele	286 308	302 542	320 232	425 542	457 262	480 170
B	EC442	Umzimvubu	260 936	274 427	289 104	477 083	480 116	430 847
B	EC443	Winnie Madikizela-Mandela	320 095	339 797	361 325	424 975	472 887	499 001
B	EC444	Ntabankulu	149 587	157 110	165 284	201 404	222 281	231 352
C	DC44	Alfred Nzo District Municipality	686 652	732 425	780 318	1 259 218	1 357 305	1 438 352
Total: Alfred Nzo Municipalities			1 703 578	1 806 301	1 916 263	2 788 222	2 989 851	3 079 722
Total: Eastern Cape Municipalities			11 728 633	12 457 748	13 237 366	20 056 340	21 109 799	22 263 537

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

			EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
			National and Municipal Financial Year			National and Municipal Financial Year		
Category	Municipality		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
FREE STATE								
A	MAN	Mangaung	938 383	1 016 375	1 101 022	2 020 341	2 136 746	2 237 335
B	FS161	Letsemeng	79 028	84 111	89 598	145 712	140 221	148 742
B	FS162	Kopanong	103 546	109 568	116 036	151 028	163 725	162 268
B	FS163	Mohokare	86 952	93 048	99 665	137 583	145 231	153 888
C	DC16	Xhariep District Municipality	49 161	51 012	53 026	55 705	56 240	58 337
Total: Xhariep Municipalities			318 687	337 739	358 325	490 028	505 417	523 235
B	FS181	Masilonyana	147 095	157 474	168 728	263 627	433 281	320 142
B	FS182	Tokologo	70 432	74 632	79 161	196 839	259 736	266 280
B	FS183	Tswelopele	91 219	96 652	102 508	143 732	151 840	203 724
B	FS184	Matjhabeng	628 523	674 469	723 986	836 190	914 339	1 035 321
B	FS185	Nala	144 920	152 771	161 094	198 494	211 769	235 349
C	DC18	Lejweleputswa District Municipality	144 044	148 826	153 916	156 966	155 877	166 056
Total: Lejweleputswa Municipalities			1 226 233	1 304 824	1 389 393	1 795 848	2 126 842	2 226 872
B	FS191	Setso	234 466	249 436	265 561	835 418	483 938	493 004
B	FS192	Dihlabeng	210 193	227 249	245 781	326 154	451 354	415 675
B	FS193	Nketoana	120 870	129 547	138 964	423 579	319 876	312 739
B	FS194	Maluti-a-Phofung	744 441	795 361	850 194	1 109 954	1 143 974	1 331 567
B	FS195	Phumelela	93 052	99 116	105 672	136 270	146 863	159 110
B	FS196	Mantsopa	102 426	109 296	116 731	174 378	161 306	160 940
C	DC19	Thabo Mofutsanyana District Municipality	130 459	135 676	141 290	149 904	148 159	149 867
Total: Thabo Mofutsanyana Municipalities			1 635 907	1 745 681	1 864 193	3 155 657	2 855 470	3 022 902
B	FS201	Moqhaka	257 433	276 512	297 125	317 119	364 904	378 261
B	FS203	Ngwathe	241 451	258 780	277 488	384 507	361 604	458 195
B	FS204	Metsimaholo	246 748	271 646	299 154	409 997	363 754	394 061
B	FS205	Mafube	118 903	127 257	136 313	232 416	191 553	187 035
C	DC20	Fezile Dabi District Municipality	168 576	172 779	177 162	176 304	178 829	183 297
Total: Fezile Dabi Municipalities			1 033 111	1 106 974	1 187 242	1 520 343	1 460 644	1 600 849
Total: Free State Municipalities			5 152 321	5 511 593	5 900 175	8 982 217	9 085 119	9 611 193
GAUTENG								
A	EKU	City of Ekurhuleni	4 606 943	5 049 907	5 539 300	7 606 493	8 079 546	8 617 205
A	JHB	City of Johannesburg	6 279 400	6 908 453	7 605 792	9 624 811	10 300 195	11 069 182
A	TSH	City of Tshwane	3 551 250	3 911 639	4 311 587	6 179 296	6 649 140	7 035 090
B	GT421	Emfuleni	971 061	1 045 887	1 127 310	1 791 382	2 120 539	2 296 612
B	GT422	Midvaal	143 164	157 585	173 669	300 915	278 591	271 826
B	GT423	Lesedi	181 382	200 326	221 527	258 874	283 416	297 015
C	DC42	Sedibeng District Municipality	293 991	301 590	309 550	300 685	306 806	314 861
Total: Sedibeng Municipalities			1 589 598	1 705 388	1 832 056	2 651 856	2 989 352	3 180 314
B	GT481	Mogale City	539 525	591 056	647 957	808 332	892 239	1 009 390
B	GT484	Merafong City	259 031	279 761	302 376	437 548	447 402	451 331
B	GT485	Rand West City	393 139	427 340	464 870	769 250	929 279	899 590
C	DC48	West Rand District Municipality	230 252	237 384	244 940	280 448	328 583	290 027
Total: West Rand Municipalities			1 421 947	1 535 541	1 660 143	2 295 578	2 597 503	2 650 338
Total: Gauteng Municipalities			17 449 138	19 110 928	20 948 878	28 358 034	30 615 736	32 552 129

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
KWAZULU-NATAL							
A	ETH eThekweni	4 057 189	4 405 068	4 784 326	7 458 386	7 864 847	8 064 865
B	KZN212 uMdoni	162 218	172 764	184 404	289 732	330 125	414 523
B	KZN213 uMzombe	154 862	162 624	171 055	241 507	248 638	251 767
B	KZN214 uMuziwabantu	110 541	116 678	123 412	172 633	166 267	170 471
B	KZN216 Ray Nkonyeni	260 646	280 634	302 772	421 682	499 626	474 775
C	DC21 Ugu District Municipality	585 146	629 020	675 761	943 881	1 131 791	1 067 875
Total: Ugu Municipalities		1 273 413	1 361 720	1 457 404	2 069 435	2 376 447	2 379 411
B	KZN221 uMshwathi	123 847	131 483	139 905	172 081	174 721	191 595
B	KZN222 uMngeni	88 389	96 528	105 719	140 180	144 061	149 718
B	KZN223 Mpojana	43 460	45 944	48 681	73 380	72 525	73 956
B	KZN224 iMpendle	45 621	47 867	50 309	62 204	67 392	74 588
B	KZN225 Msunduzi	696 056	753 259	815 484	1 130 163	1 258 901	1 229 948
B	KZN226 Mkhambathini	77 519	82 718	88 459	134 089	114 112	120 954
B	KZN227 Richmond	86 421	92 298	98 789	110 169	122 503	134 023
C	DC22 uMgungundlovu District Municipality	669 855	719 625	773 062	884 816	941 797	1 000 436
Total: uMgungundlovu Municipalities		1 831 168	1 969 722	2 120 408	2 707 082	2 896 012	2 975 218
B	KZN235 Okhahlamba	149 733	158 035	167 146	194 912	212 904	217 017
B	KZN237 iNkosi Langalibalele	218 092	232 136	247 623	357 735	290 931	312 159
B	KZN238 Alfred Duma	285 377	303 422	323 230	388 088	393 163	452 300
C	DC23 uThukela District Municipality	539 912	578 248	618 980	844 031	893 771	954 075
Total: uThukela Municipalities		1 193 114	1 271 841	1 356 979	1 784 766	1 790 769	1 935 551
B	KZN241 eNdumeni	60 247	65 357	71 086	105 044	118 715	112 558
B	KZN242 Nquthu	169 636	179 103	189 496	217 812	260 633	368 351
B	KZN244 uMsinga	206 533	219 494	233 769	284 259	285 550	296 360
B	KZN245 uMvoti	162 289	174 754	188 605	219 563	226 296	273 218
C	DC24 uMzinyathi District Municipality	453 007	488 712	526 952	761 547	811 165	866 598
Total: uMzinyathi Municipalities		1 051 712	1 127 420	1 209 908	1 588 225	1 702 359	1 917 085
B	KZN252 Newcastle	466 902	500 929	537 742	700 299	742 365	769 120
B	KZN253 eMadlangeni	36 076	37 972	40 060	72 043	61 222	62 729
B	KZN254 Dannhauser	108 935	114 623	120 861	142 272	159 879	158 737
C	DC25 Amajuba District Municipality	201 814	214 724	228 494	328 201	345 922	368 445
Total: Amajuba Municipalities		813 727	868 248	927 157	1 242 815	1 309 388	1 359 031
B	KZN261 eDumbe	93 423	98 746	104 590	131 328	136 523	183 483
B	KZN262 uPhongolo	169 597	181 265	194 154	219 108	238 234	248 676
B	KZN263 Abaqulusi	187 494	201 285	216 516	267 242	267 744	278 809
B	KZN265 Nongoma	189 932	200 809	212 753	234 837	249 304	277 401
B	KZN266 Ulundi	196 348	207 441	219 619	279 801	272 360	348 562
C	DC26 Zululand District Municipality	586 391	630 327	677 132	971 201	1 039 044	1 118 921
Total: Zululand Municipalities		1 423 185	1 519 873	1 624 764	2 103 517	2 203 209	2 455 852
B	KZN271 uMhlabayalingana	213 526	228 948	246 023	365 817	329 359	328 319
B	KZN272 Jozini	230 520	245 556	262 128	369 731	333 961	321 652
B	KZN275 Mtubatuba	215 419	232 085	250 611	278 252	291 752	336 715
B	KZN276 Big Five Hlabisa	137 249	146 925	157 631	173 477	193 254	212 420
C	DC27 uMkhanyakude District Municipality	537 398	582 711	631 473	860 864	919 511	990 380
Total: uMkhanyakude Municipalities		1 334 112	1 436 225	1 547 866	2 048 141	2 067 837	2 189 486
B	KZN281 uMfolozi	165 314	176 706	189 299	203 602	258 484	237 691
B	KZN282 uMhlathuze	471 939	513 500	559 016	701 325	719 834	782 042
B	KZN284 uMlalazi	226 733	240 511	255 679	302 806	451 412	338 444
B	KZN285 Mthonjaneni	93 695	98 363	103 439	144 660	138 686	145 218
B	KZN286 Nkandla	114 409	120 091	126 256	173 021	176 030	197 958
C	DC28 King Cetshwayo District Municipality	647 196	692 113	739 935	1 133 677	1 314 347	1 353 044
Total: King Cetshwayo Municipalities		1 719 286	1 841 284	1 973 624	2 659 091	3 058 793	3 054 397
B	KZN291 Mandeni	212 818	229 175	247 341	272 566	282 747	316 971
B	KZN292 KwaDukuza	228 012	251 988	279 137	425 545	380 215	436 413
B	KZN293 Ndwedwe	181 613	193 331	206 251	237 076	243 831	264 828
B	KZN294 Maphumulo	108 314	113 706	119 552	176 181	277 045	173 312
C	DC29 iLembe District Municipality	680 949	742 133	808 493	1 004 173	1 110 891	1 142 829
Total: iLembe Municipalities		1 411 706	1 530 333	1 660 774	2 115 541	2 294 729	2 334 353
B	KZN433 Greater Kokstad	75 091	79 911	85 246	141 885	134 021	126 355
B	KZN434 uBuhlebezwe	131 712	138 861	146 705	174 692	191 918	198 706
B	KZN435 uMzimkhulu	230 678	244 897	260 542	307 356	308 649	358 245
B	KZN436 Dr Nkosazana Dlamini Zuma	152 466	161 516	171 465	195 002	220 193	240 651
C	DC43 Harry Gwala District Municipality	432 161	462 712	495 104	769 937	835 666	905 058
Total: Harry Gwala Municipalities		1 022 108	1 087 897	1 159 062	1 588 872	1 690 447	1 829 015
Total: KwaZulu-Natal Municipalities		17 130 720	18 419 631	19 822 272	27 365 871	29 254 837	30 494 264

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
LIMPOPO							
B	LIM331 Greater Giyani	352 203	374 568	399 166	466 278	485 417	509 919
B	LIM332 Greater Letaba	341 960	363 981	388 217	443 840	457 325	493 661
B	LIM333 Greater Tzaneen	481 161	515 385	553 067	657 589	666 552	698 963
B	LIM334 Ba-Phalaborwa	189 853	203 780	219 209	254 922	278 168	314 382
B	LIM335 Maruleng	153 904	164 158	175 461	190 394	205 396	214 156
C	DC33 Mopani District Municipality	1 170 419	1 262 191	1 360 105	2 396 250	2 546 883	2 767 890
Total: Mopani Municipalities		2 689 500	2 884 063	3 095 225	4 409 273	4 639 741	4 998 971
B	LIM341 Musina	193 793	213 536	235 863	239 128	274 915	293 799
B	LIM343 Thulamela	547 969	584 829	625 454	741 549	796 820	846 797
B	LIM344 Makhado	445 889	476 726	510 634	586 343	612 825	666 699
B	LIM345 Collins Chabane	454 043	483 226	515 331	578 302	629 504	662 343
C	DC34 Vhembe District Municipality	1 276 805	1 381 588	1 493 927	1 996 509	2 128 584	2 284 790
Total: Vhembe Municipalities		2 918 499	3 139 905	3 381 209	4 141 831	4 442 648	4 754 428
B	LIM351 Blouberg	221 256	232 831	245 509	326 511	316 190	341 399
B	LIM353 Molemole	168 761	177 379	186 814	224 329	241 240	244 427
B	LIM354 Polokwane	1 196 549	1 300 435	1 413 976	2 201 982	2 299 451	2 452 784
B	LIM355 Lepele-Nkumpi	301 329	318 557	337 450	387 169	405 916	471 143
C	DC35 Capricorn District Municipality	730 232	777 919	828 511	1 120 904	1 165 523	1 233 694
Total: Capricorn Municipalities		2 618 127	2 807 121	3 012 260	4 260 895	4 428 320	4 743 447
B	LIM361 Thabazimbi	122 061	133 346	145 780	243 564	306 493	334 636
B	LIM362 Lephalale	202 071	223 270	246 827	369 016	437 021	444 136
B	LIM366 Bela-Bela	117 909	128 236	139 598	224 904	232 628	239 363
B	LIM367 Mogalakwena	535 476	570 087	607 300	825 343	970 478	915 520
B	LIM368 Modimolle-Mookgophong	134 343	143 095	152 490	281 545	314 269	345 470
C	DC36 Waterberg District Municipality	145 500	150 601	156 119	155 104	159 291	164 892
Total: Waterberg Municipalities		1 257 360	1 348 635	1 448 114	2 099 476	2 420 180	2 444 017
B	LIM471 Ephraim Mogale	178 826	190 583	203 533	231 056	249 168	261 193
B	LIM472 Elias Motsoaledi	334 260	357 024	382 127	439 834	445 218	479 278
B	LIM473 Makhuduthamaga	324 200	343 247	364 150	424 060	433 952	485 687
B	LIM476 Fetakgomo Tubatse	537 000	580 487	628 645	757 616	725 505	764 728
C	DC47 Sekhukhune District Municipality	989 172	1 070 187	1 157 043	1 792 107	1 931 034	2 051 317
Total: Sekhukhune Municipalities		2 363 458	2 541 528	2 735 498	3 644 673	3 784 877	4 042 203
Total: Limpopo Municipalities		11 846 944	12 721 252	13 672 306	18 556 148	19 715 766	20 983 066
MPUMALANGA							
B	MP301 Chief Albert Luthuli	388 235	415 844	445 905	741 761	769 859	801 404
B	MP302 Msukaligwa	227 520	248 969	272 622	539 631	504 692	521 051
B	MP303 Mkhondo	303 974	329 733	358 075	554 016	567 665	632 185
B	MP304 Dr Pixley ka Isaka Seme	146 850	156 643	167 275	203 308	222 676	248 654
B	MP305 Lekwa	152 423	165 184	179 130	327 178	367 887	408 803
B	MP306 Dipaleseng	91 860	99 221	107 305	192 689	192 687	153 364
B	MP307 Govan Mbeki	380 023	417 947	459 878	515 591	578 622	655 667
C	DC30 Gert Sibande District Municipality	317 655	325 322	333 299	342 194	346 114	354 611
Total: Gert Sibande Municipalities		2 008 540	2 158 863	2 323 489	3 416 368	3 550 202	3 775 739
B	MP311 Victor Khanye	127 094	138 966	152 118	237 596	240 313	241 337
B	MP312 Emalahleni	493 518	547 463	607 598	710 786	763 209	832 090
B	MP313 Steve Tshwete	284 669	319 506	358 779	566 481	521 254	525 383
B	MP314 Emakhazeni	80 242	86 552	93 475	143 994	151 187	162 119
B	MP315 Thembisile Hani	513 707	553 358	596 570	914 222	943 558	963 553
B	MP316 Dr JS Moroka	461 561	489 995	520 754	640 564	670 761	769 161
C	DC31 Nkangala District Municipality	388 810	398 773	409 204	397 267	404 514	415 031
Total: Nkangala Municipalities		2 349 601	2 534 613	2 738 498	3 610 910	3 694 796	3 908 674
B	MP321 Thaba Chweu	187 934	205 246	224 390	311 155	350 599	389 092
B	MP324 Nkomazi	725 681	782 264	843 958	1 355 828	1 218 198	1 238 687
B	MP325 Bushbuckridge	979 294	1 046 647	1 119 555	1 559 920	1 567 178	1 667 095
B	MP326 City of Mbombela	948 458	1 033 679	1 127 308	1 507 320	1 669 119	1 890 626
C	DC32 Ehlanzeni District Municipality	284 129	294 616	305 881	294 318	301 741	313 098
Total: Ehlanzeni Municipalities		3 125 496	3 362 452	3 621 092	5 028 541	5 106 835	5 498 598
Total: Mpumalanga Municipalities		7 483 637	8 055 928	8 683 079	12 055 819	12 351 833	13 183 011

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
NORTHERN CAPE							
B	NC061 Richtersveld	23 414	25 089	26 935	44 711	52 466	55 245
B	NC062 Nama Khoi	58 610	62 630	66 995	103 992	106 018	149 985
B	NC064 Kamiesberg	30 608	32 295	34 130	47 603	54 022	56 482
B	NC065 Hantam	31 566	33 529	35 660	106 543	131 652	64 107
B	NC066 Karoo Hoogland	30 429	32 611	35 007	64 714	45 995	48 663
B	NC067 Khâi-Ma	25 674	27 373	29 235	38 504	47 851	50 292
C	DC6 Namakwa District Municipality	55 849	57 441	59 151	64 938	65 059	66 882
Total: Namakwa Municipalities		256 150	270 968	287 113	471 005	503 063	491 656
B	NC071 Ubuntu	46 240	49 370	52 782	79 825	79 730	85 374
B	NC072 Umsobomvu	64 182	69 115	74 518	104 163	95 288	101 586
B	NC073 Emthanjeni	55 218	59 027	63 167	99 300	95 208	97 473
B	NC074 Kareeberg	33 449	35 668	38 099	64 255	54 192	57 116
B	NC075 Renosterberg	31 992	34 056	36 311	49 200	61 697	61 142
B	NC076 Thembelihle	33 949	36 032	38 303	59 987	68 152	71 519
B	NC077 Siyathemba	42 278	45 249	48 493	59 323	67 189	71 077
B	NC078 Siyancuma	58 828	61 978	65 330	129 961	105 089	110 067
C	DC7 Pixley Ka Seme District Municipality	59 758	61 982	64 400	67 106	68 114	70 650
Total: Pixley Ka Seme Municipalities		425 894	452 477	481 403	713 120	694 659	726 004
B	NC082 !Kai !Garib	108 332	117 494	127 534	153 190	167 074	186 796
B	NC084 !Kheis	33 197	34 924	36 797	53 837	61 702	72 418
B	NC085 Tsantsabane	50 271	54 625	59 424	194 988	215 308	235 021
B	NC086 Kgatelopele	30 490	32 934	35 629	55 073	60 687	64 281
B	NC087 Dawid Kruijer	106 741	114 912	123 826	254 907	260 789	262 469
C	DC8 Z.F. Mgcawu District Municipality	78 618	81 163	83 906	85 363	86 642	89 497
Total: Z.F. Mgcawu Municipalities		407 649	436 052	467 116	797 358	852 202	910 482
B	NC091 Sol Plaatjie	239 158	258 166	278 751	391 255	387 152	417 024
B	NC092 Dikgatlong	108 029	115 681	123 996	177 425	160 249	158 876
B	NC093 Magareng	57 991	61 400	65 085	85 676	78 854	82 991
B	NC094 Phokwane	126 099	133 513	141 487	183 737	200 227	210 931
C	DC9 Frances Baard District Municipality	132 171	135 523	139 023	139 751	141 630	145 229
Total: Frances Baard Municipalities		663 448	704 283	748 342	977 844	968 112	1 015 051
B	NC451 Joe Morolong	170 407	180 000	190 277	320 598	334 648	433 497
B	NC452 Ga-Segonyana	210 902	229 604	250 224	491 375	479 300	468 890
B	NC453 Gamagara	53 715	60 588	68 418	97 296	144 137	170 316
C	DC45 John Taolo Gaetsewe District Municipality	102 257	105 917	109 899	115 465	117 547	121 607
Total: John Taolo Gaetsewe Municipalities		537 281	576 109	618 818	1 024 734	1 075 632	1 194 310
Total: Northern Cape Municipalities		2 290 422	2 439 889	2 602 792	3 984 062	4 093 668	4 337 503
NORTH WEST							
B	NW371 Moretele	415 351	441 379	469 519	671 750	692 414	739 352
B	NW372 Madibeng	941 456	1 037 558	1 144 194	1 529 777	1 651 642	1 806 196
B	NW373 Rustenburg	941 352	1 050 064	1 171 812	1 600 927	1 737 312	1 963 656
B	NW374 Kgetlengrivier	117 740	128 323	140 000	186 311	268 397	264 899
B	NW375 Moses Kotane	528 602	563 247	600 772	827 297	838 599	956 023
C	DC37 Bojanala Platinum District Municipality	381 952	395 846	410 921	394 200	405 635	420 802
Total: Bojanala Platinum Municipalities		3 326 453	3 616 417	3 937 218	5 210 262	5 593 999	6 150 928
B	NW381 Ratlou	150 626	159 416	169 085	192 120	202 367	210 022
B	NW382 Tswaing	140 780	149 989	160 171	201 385	200 639	217 813
B	NW383 Mafikeng	327 788	352 887	380 697	442 932	472 982	548 255
B	NW384 Ditsobotla	159 232	171 105	184 258	210 938	223 697	268 697
B	NW385 Ramotshere Moiloa	215 223	229 949	246 232	305 146	292 468	350 508
C	DC38 Ngaka Modiri Molema District Municipality	974 124	1 050 306	1 131 892	1 452 835	1 558 256	1 660 626
Total: Ngaka Modiri Molema Municipalities		1 967 773	2 113 652	2 272 335	2 805 356	2 950 409	3 255 921
B	NW392 Naledi	63 233	67 496	72 233	102 063	154 084	115 594
B	NW393 Mamusa	66 849	71 251	76 127	110 282	102 453	108 408
B	NW394 Greater Taung	231 374	243 432	256 672	418 759	480 465	329 130
B	NW396 Lekwa-Teemane	60 204	64 394	69 047	93 877	195 983	143 899
B	NW397 Kagisano-Molopo	144 818	152 490	160 915	196 780	206 935	231 251
C	DC39 Dr Ruth Segomotsi Mompoti District Municipality	448 060	478 601	511 048	1 110 485	1 243 443	1 317 121
Total: Dr Ruth Segomotsi Mompoti Municipalities		1 014 538	1 077 664	1 146 042	2 032 246	2 383 363	2 245 403
B	NW403 City of Matlosana	545 300	588 793	636 078	732 804	796 087	828 816
B	NW404 Maquass Hills	159 404	170 622	182 817	265 037	251 201	286 617
B	NW405 JB Marks	343 436	377 012	414 080	548 594	529 025	578 261
C	DC40 Dr Kenneth Kaunda District Municipality	206 714	212 491	218 574	212 725	216 133	222 312
Total: Dr Kenneth Kaunda Municipalities		1 254 854	1 348 918	1 451 549	1 759 160	1 792 446	1 916 006
Total: North West Municipalities		7 563 618	8 156 651	8 807 144	11 807 025	12 720 217	13 568 258

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICIPALITIES

Category	Municipality	EQUITABLE SHARE ¹			TOTAL ALLOCATIONS TO MUNICIPALITIES		
		National and Municipal Financial Year			National and Municipal Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
WESTERN CAPE							
A	CPT City of Cape Town	3 656 394	3 983 337	4 341 849	6 929 193	7 619 097	8 770 331
B	WC011 Matzikama	69 892	74 958	80 473	120 738	110 889	140 890
B	WC012 Cederberg	61 451	66 062	71 096	130 520	131 317	129 566
B	WC013 Bergrivier	57 506	62 388	67 754	79 885	85 483	91 636
B	WC014 Saldanha Bay	115 943	126 971	139 203	149 510	157 953	172 168
B	WC015 Swartland	126 228	140 297	156 017	198 707	176 527	191 476
C	DC1 West Coast District Municipality	103 374	106 615	110 061	108 275	110 333	113 878
Total: West Coast Municipalities		534 394	577 291	624 604	787 635	772 502	839 614
B	WC022 Witzenberg	121 668	132 945	145 345	185 486	178 848	178 154
B	WC023 Drakenstein	194 355	211 292	229 829	272 133	273 286	294 349
B	WC024 Stellenbosch	179 634	196 720	215 547	280 464	249 750	267 440
B	WC025 Breede Valley	147 822	159 120	171 374	236 668	268 043	255 896
B	WC026 Langeberg	97 528	104 474	112 031	131 422	153 381	158 351
C	DC2 Cape Winelands District Municipality	251 295	256 921	262 730	256 541	260 809	266 722
Total: Cape Winelands Municipalities		992 302	1 061 472	1 136 856	1 362 714	1 384 117	1 420 912
B	WC031 Theewaterskloof	120 101	129 283	139 255	160 230	183 119	189 688
B	WC032 Overstrand	141 896	155 547	170 708	224 437	193 865	212 141
B	WC033 Cape Agulhas	37 037	39 750	42 717	73 637	70 562	61 062
B	WC034 Swellendam	39 675	42 788	46 206	62 334	61 947	65 953
C	DC3 Overberg District Municipality	81 486	84 267	87 234	86 444	88 113	91 184
Total: Overberg Municipalities		420 195	451 635	486 120	607 082	597 606	620 028
B	WC041 Kannaland	33 259	35 040	36 934	48 305	63 346	76 626
B	WC042 Hessequa	54 287	58 185	62 442	88 876	82 196	89 097
B	WC043 Mossel Bay	119 020	128 669	139 262	162 612	170 337	182 593
B	WC044 George	193 460	210 287	228 699	729 128	936 165	732 127
B	WC045 Oudtshoorn	89 431	95 294	101 666	126 866	135 841	137 463
B	WC047 Bitou	129 019	143 106	158 928	172 200	179 974	196 433
B	WC048 Knysna	111 170	120 722	131 247	170 779	162 815	213 224
C	DC4 Garden Route District Municipality	172 721	177 411	182 329	185 160	186 215	192 228
Total: Garden Route Municipalities		902 367	968 714	1 041 507	1 683 926	1 916 889	1 819 791
B	WC051 Laingsburg	20 139	21 423	22 856	47 193	44 542	45 020
B	WC052 Prince Albert	26 548	28 467	30 575	43 943	44 941	44 704
B	WC053 Beaufort West	77 265	82 700	88 606	135 278	107 734	114 503
C	DC5 Central Karoo District Municipality	36 456	37 890	39 485	40 832	40 953	42 622
Total: Central Karoo Municipalities		160 408	170 480	181 522	267 246	238 170	246 849
Total: Western Cape Municipalities		6 666 060	7 212 929	7 812 458	11 637 796	12 528 381	13 717 525
Unallocated		-	-	-	546 832	2 086 142	2 172 491
National Total		87 311 493	94 086 549	101 486 470	143 350 144	153 561 498	162 882 977

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

Category	Municipality	Equitable Share Formula				RSC Levies Replacement				Special Support for Councillor Remuneration and Ward Committees				BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES				TOTAL ALLOCATIONS TO MUNICIPALITIES	
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
		2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
EASTERN CAPE																			
B	BEF - Beaufort West	1 045 448	1 118 513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 045 448	1 118 513
A	NSA - Nelson Mandela Bay	1 288 228	1 389 940	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 288 228	1 389 940
B	EC101 - De Beers Strand	101 727	107 909	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107 689	113 403
B	EC102 - Blue Crane Route	60 763	64 065	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63 585	66 766
B	EC104 - Malaria	107 605	114 706	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113 634	120 916
B	EC105 - Ndlambe	114 788	122 826	-	-	-	-	-	-	-	-	-	-	-	-	-	-	119 231	127 404
B	EC106 - Sundays River Valley	97 715	105 662	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101 270	109 324
B	EC108 - Koppie	158 627	171 200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	163 292	178 068
B	EC109 - Koo-Kamma	57 646	61 383	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60 474	64 297
C	DC10 - Sarah Baartman District Municipality	25 246	27 255	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24 576	26 574
	Total Sarah Baartman Municipalities	780 117	829 942	-	-	-	-	-	-	-	-	-	-	-	-	-	-	825 221	888 274
B	EC121 - Mthatha	280 896	295 264	-	-	-	-	-	-	-	-	-	-	-	-	-	-	284 923	300 715
B	EC122 - Mquba	293 302	309 239	-	-	-	-	-	-	-	-	-	-	-	-	-	-	307 329	322 690
B	EC123 - Great Kei	47 093	52 059	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50 186	52 669
B	EC124 - Amathole	118 322	124 366	-	-	-	-	-	-	-	-	-	-	-	-	-	-	124 987	131 233
B	EC126 - Ngqusha	92 469	97 196	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97 609	102 491
B	EC129 - Raymond Mkhabela	194 994	204 512	-	-	-	-	-	-	-	-	-	-	-	-	-	-	204 622	214 843
C	DC12 - Amathole District Municipality	555 355	583 865	470 031	509 943	-	-	-	-	-	-	-	-	-	-	-	-	1 025 616	1 089 808
	Total Amathole Municipalities	1 582 201	1 667 924	470 031	509 943	-	-	-	-	-	-	-	-	-	-	-	-	2 105 272	2 229 409
B	EC131 - Inyanga Yehemba	46 745	49 393	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50 744	53 513
B	EC135 - Inkaba Yethu	178 597	187 748	-	-	-	-	-	-	-	-	-	-	-	-	-	-	187 928	197 362
B	EC136 - Entabeni	138 632	145 734	-	-	-	-	-	-	-	-	-	-	-	-	-	-	146 186	153 517
B	EC137 - Engobo	168 923	174 418	-	-	-	-	-	-	-	-	-	-	-	-	-	-	175 145	183 919
B	EC138 - Sakhiswe	78 516	80 379	-	-	-	-	-	-	-	-	-	-	-	-	-	-	80 323	84 300
B	EC139 - Enoch Mgijima	215 469	227 256	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215 469	227 256
C	DC13 - Chris Hani District Municipality	548 830	578 761	612 333	622 899	551 106	569 943	-	-	-	-	-	-	-	-	-	-	634 460	694 535
	Total Chris Hani Municipalities	1 307 652	1 443 609	1 124 658	1 157 774	123 452	125 452	-	-	-	-	-	-	-	-	-	-	1 510 195	1 594 402
B	EC141 - Elandini	172 830	181 760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	180 384	189 543
B	EC142 - Swart	169 571	178 386	-	-	-	-	-	-	-	-	-	-	-	-	-	-	177 125	185 869
B	EC145 - Walter Sisulu	65 402	69 715	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70 586	75 058
C	DC14 - Joe Gqabi District Municipality	207 246	218 430	47 294	50 405	53 748	57 348	-	-	-	-	-	-	-	-	-	-	334 540	355 541
	Total Joe Gqabi Municipalities	696 049	734 797	47 294	50 405	53 748	57 348	-	-	-	-	-	-	-	-	-	-	762 635	806 111
B	EC153 - Nqunz Hill	286 348	313 597	-	-	-	-	-	-	-	-	-	-	-	-	-	-	310 567	328 047
B	EC154 - Port St Johns	144 038	154 038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	152 305	162 933
B	EC155 - St. Michaels	286 348	313 597	-	-	-	-	-	-	-	-	-	-	-	-	-	-	310 567	328 047
B	EC156 - Mtshali	206 346	216 963	-	-	-	-	-	-	-	-	-	-	-	-	-	-	217 727	228 667
B	EC157 - King Sabas Dalindyebo	404 115	429 905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	404 115	429 905
C	DC15 - O.R. Tambo District Municipality	928 665	990 538	1 035 005	1 131 095	1 139 790	1 230 700	-	-	-	-	-	-	-	-	-	-	1 051 671	1 121 633
	Total O.R. Tambo Municipalities	2 308 858	2 449 722	2 509 818	2 631 095	2 679 580	2 861 400	-	-	-	-	-	-	-	-	-	-	2 400 538	2 630 778
B	EC141 - Matielie	274 311	290 181	-	-	-	-	-	-	-	-	-	-	-	-	-	-	286 308	302 542
B	EC142 - Unyavulu	248 687	261 807	-	-	-	-	-	-	-	-	-	-	-	-	-	-	260 936	274 427
B	EC143 - Womo Makhweke/Mandla	308 876	325 147	-	-	-	-	-	-	-	-	-	-	-	-	-	-	320 095	339 797
B	EC144 - Albert Luthuli District Municipality	464 471	494 841	-	-	-	-	-	-	-	-	-	-	-	-	-	-	468 665	498 681
	Total Alfred Nzo Municipalities	1 500 944	1 677 323	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 503 578	1 606 301
	Total Eastern Cape Municipalities	10 998 597	11 264 843	11 975 150	12 543 229	12 605 086	13 614 010	-	-	-	-	-	-	-	-	-	-	11 728 633	12 457 748

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

Category	Equitable Share Formula				RSC Levies Replacement				Special Support for Councilor Remuneration and Ward Committees				BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES				TOTAL ALLOCATIONS TO MUNICIPALITIES	
	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year	
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
FREE STATE																		
A. MAM	938 383	1 016 375	1 101 022	-	-	-	-	-	-	-	-	-	-	-	-	-	938 383	1 016 375
B. FSJ01	75 935	80 924	86 286	-	-	-	-	-	-	-	-	-	-	-	-	-	75 935	80 924
B. FSJ02	99 510	105 410	111 715	-	-	-	-	-	-	-	-	-	-	-	-	-	99 510	105 410
B. FSJ03	85 869	91 481	97 150	-	-	-	-	-	-	-	-	-	-	-	-	-	85 869	91 481
Total Shared Municipalities	282 011	300 318	319 523	23 199	23 707	24 231	13 297	13 514	14 271	17 890	17 890	17 890	17 890	17 890	17 890	17 890	318 607	337 519
B. FSJ04	142 844	153 095	164 179	-	-	-	-	-	-	-	-	-	-	-	-	-	142 844	153 095
B. FSJ05	67 339	71 445	75 849	-	-	-	-	-	-	-	-	-	-	-	-	-	67 339	71 445
B. FSJ06	87 183	92 494	98 187	-	-	-	-	-	-	-	-	-	-	-	-	-	87 183	92 494
B. FSJ07	628 523	674 469	723 986	-	-	-	-	-	-	-	-	-	-	-	-	-	628 523	674 469
B. FSJ08	139 588	147 277	155 386	-	-	-	-	-	-	-	-	-	-	-	-	-	139 588	147 277
B. FSJ09	49 692	49 840	52 239	-	-	-	-	-	-	-	-	-	-	-	-	-	49 692	49 840
Total Lepelle-Groenewald District Municipality	1 112 109	1 188 120	1 269 817	97 258	99 486	101 686	16 712	17 218	17 890	17 890	17 890	17 890	17 890	17 890	17 890	17 890	1 229 230	1 304 924
B. FSJ10	227 004	241 882	257 682	-	-	-	-	-	-	-	-	-	-	-	-	-	227 004	241 882
B. FSJ11	210 193	227 249	245 781	-	-	-	-	-	-	-	-	-	-	-	-	-	210 193	227 249
B. FSJ12	116 871	125 427	134 683	-	-	-	-	-	-	-	-	-	-	-	-	-	116 871	125 427
B. FSJ13	744 441	795 361	850 194	-	-	-	-	-	-	-	-	-	-	-	-	-	744 441	795 361
B. FSJ14	89 282	95 230	101 633	-	-	-	-	-	-	-	-	-	-	-	-	-	89 282	95 230
B. FSJ15	98 427	105 176	112 450	-	-	-	-	-	-	-	-	-	-	-	-	-	98 427	105 176
B. FSJ16	65 168	68 953	73 092	-	-	-	-	-	-	-	-	-	-	-	-	-	65 168	68 953
Total Duma Mpanza District Municipality	1 581 406	1 697 248	1 778 215	65 291	67 723	69 198	19 120	19 710	20 460	20 460	20 460	20 460	20 460	20 460	20 460	20 460	1 625 907	1 745 081
B. FSJ17	257 433	276 512	297 125	-	-	-	-	-	-	-	-	-	-	-	-	-	257 433	276 512
B. FSJ18	241 451	258 780	277 488	-	-	-	-	-	-	-	-	-	-	-	-	-	241 451	258 780
B. FSJ19	246 748	271 646	299 154	-	-	-	-	-	-	-	-	-	-	-	-	-	246 748	271 646
B. FSJ20	118 096	123 336	132 240	-	-	-	-	-	-	-	-	-	-	-	-	-	118 096	123 336
Total Ficks Dots Municipalities	875 402	943 733	1 020 327	155 902	159 320	162 842	3 807	3 921	4 073	4 073	4 073	4 073	4 073	4 073	4 073	4 073	1 033 111	1 106 974
Total Free State Municipalities	4 757 631	5 107 794	5 486 964	341 744	349 236	356 957	52 946	54 545	56 714	56 714	56 714	56 714	56 714	56 714	56 714	56 714	5 124 321	5 501 178
GAUTENG																		
A. ERU	4 606 943	5 049 907	5 539 300	-	-	-	-	-	-	-	-	-	-	-	-	-	4 606 943	5 049 907
A. JHB	6 279 400	6 908 453	7 605 792	-	-	-	-	-	-	-	-	-	-	-	-	-	6 279 400	6 908 453
A. TSH	3 911 639	4 311 887	4 711 887	-	-	-	-	-	-	-	-	-	-	-	-	-	3 911 639	4 311 887
B. GT421	971 061	1 045 887	1 127 310	-	-	-	-	-	-	-	-	-	-	-	-	-	971 061	1 045 887
B. GT422	136 499	150 718	166 533	-	-	-	-	-	-	-	-	-	-	-	-	-	136 499	150 718
B. GT423	178 066	194 375	215 443	-	-	-	-	-	-	-	-	-	-	-	-	-	178 066	194 375
B. GT424	28 449	30 227	32 188	-	-	-	-	-	-	-	-	-	-	-	-	-	28 449	30 227
Total Sediberg District Municipality	1 311 018	1 421 207	1 541 274	265 542	271 363	277 362	12 441	12 818	13 200	13 200	13 200	13 200	13 200	13 200	13 200	13 200	1 489 596	1 706 588
B. GT481	539 525	591 086	647 957	-	-	-	-	-	-	-	-	-	-	-	-	-	539 525	591 086
B. GT482	299 031	279 751	302 376	-	-	-	-	-	-	-	-	-	-	-	-	-	299 031	279 751
B. GT483	393 139	427 340	464 870	-	-	-	-	-	-	-	-	-	-	-	-	-	393 139	427 340
B. GT484	48 516	51 664	55 140	-	-	-	-	-	-	-	-	-	-	-	-	-	48 516	51 664
Total West Rand District Municipality	1 240 211	1 349 821	1 470 443	181 736	185 720	189 800	-	-	-	-	-	-	-	-	-	-	1 421 947	1 535 541
Total West Rand Municipalities	16 989 419	18 641 027	20 068 596	447 278	457 083	467 162	12 441	12 818	13 200	13 200	13 200	13 200	13 200	13 200	13 200	13 200	17 449 138	19 110 928

APPENDIX VI
 APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
 (EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILOR REMUNERATION + 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 Councilor Remuneration and Ward Committees				BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES				TOTAL ALLOCATIONS TO MUNICIPALITIES				
		National and Municipal Financial Year		2024/25 (R'000)		National and Municipal Financial Year		2024/25 (R'000)		National and Municipal Financial Year		2024/25 (R'000)		National and Municipal Financial Year		2024/25 (R'000)		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)	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)	2024/25 (R'000)	2023/24 (R'000)	2024/25 (R'000)			
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)		
KWAZULU-NATAL																						
A	ETHU	4 057 189	4 784 526	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 057 189	4 784 526
B	KZN213 uMdloti	153 968	164 246	175 573	187 607	8 250	8 499	8 831	8 831	53 316	36 750	58 263	39 090	63 412	41 609	63 412	41 609	63 412	172 764	184 404	172 764	184 404
B	KZN214 uMdloti	143 642	153 121	161 180	171 818	9 220	9 301	9 875	9 875	43 376	29 898	46 479	31 184	49 583	32 587	49 583	32 587	49 583	162 624	171 053	162 624	171 053
B	KZN215 uMdloti	150 845	161 894	170 100	181 481	4 066	4 357	5 025	5 025	35 655	24 938	38 822	26 899	53 822	36 822	53 822	36 822	53 822	191 641	203 634	191 641	203 634
B	KZN216 uMdloti	266 484	281 399	296 468	311 959	-	-	-	-	124 452	87 394	139 864	97 839	199 864	141 839	199 864	141 839	199 864	296 468	311 959	296 468	311 959
B	KZN217 uMdloti	481 718	518 790	550 220	582 792	103 428	107 541	117 541	117 541	-	-	-	-	-	-	-	-	-	582 792	620 220	582 792	620 220
B	KZN218 uMdloti	1 147 819	1 238 653	1 316 132	1 402 129	103 428	107 541	117 541	117 541	254 769	175 640	277 948	186 482	301 908	198 560	301 908	198 560	301 908	1 238 653	1 316 132	1 238 653	1 316 132
B	KZN219 uMdloti	1 178 818	1 235 273	1 335 453	1 435 273	6 029	6 210	6 452	6 452	45 010	31 025	48 829	32 828	52 975	34 830	52 975	34 830	52 975	1 235 273	1 335 453	1 235 273	1 335 453
B	KZN220 uMdloti	82 805	90 775	97 743	105 713	5 884	5 733	5 976	5 976	15 130	35 343	47 117	11 322	63 547	41 782	63 547	41 782	63 547	88 389	96 528	88 389	96 528
B	KZN221 uMdloti	41 004	43 516	46 157	48 800	2 356	2 428	2 524	2 524	15 473	10 665	16 782	11 232	18 041	11 862	18 041	11 862	16 782	43 460	45 944	43 460	45 944
B	KZN222 uMdloti	45 078	47 583	50 137	52 692	2 583	2 622	2 726	2 726	11 185	7 606	11 984	8 027	12 578	8 388	12 578	8 388	11 984	45 621	47 867	45 621	47 867
B	KZN223 uMdloti	696 056	732 259	768 463	804 666	3 110	3 105	3 105	3 105	24 888	17 155	27 306	18 314	29 816	19 604	29 816	19 604	27 306	696 056	732 259	696 056	732 259
B	KZN224 uMdloti	831 311	891 693	952 075	1 012 457	3 110	3 105	3 105	3 105	24 888	17 155	27 306	18 314	29 816	19 604	29 816	19 604	27 306	831 311	891 693	831 311	891 693
B	KZN225 uMdloti	335 614	353 403	371 192	389 981	334 241	356 222	379 847	379 847	174 416	121 602	193 893	129 866	211 606	139 129	211 606	139 129	193 893	669 855	719 625	669 855	719 625
B	KZN226 uMdloti	1 474 195	1 590 077	1 716 223	1 842 369	22 732	23 423	24 338	24 338	174 416	121 602	193 893	129 866	211 606	139 129	211 606	139 129	193 893	1 474 195	1 590 077	1 474 195	1 590 077
B	KZN227 uMdloti	143 260	151 367	160 218	169 069	6 473	6 668	6 928	6 928	46 244	31 875	49 933	33 501	68 082	46 244	68 082	46 244	68 082	149 733	158 035	149 733	158 035
B	KZN228 uMdloti	209 620	221 348	234 814	248 280	10 472	10 788	11 209	11 209	72 327	49 854	78 847	52 968	88 824	56 429	88 824	56 429	78 847	218 092	232 156	218 092	232 156
B	KZN229 uMdloti	285 377	303 422	323 230	342 846	77 624	82 729	88 216	88 216	123 831	84 466	133 289	89 433	144 072	94 726	144 072	94 726	133 289	285 377	303 422	285 377	303 422
B	KZN230 uMdloti	458 946	489 925	520 905	551 884	6 542	6 684	6 899	6 899	46 244	31 875	49 933	33 501	68 082	46 244	68 082	46 244	68 082	539 472	578 248	539 472	578 248
B	KZN231 uMdloti	1 092 203	1 165 021	1 237 839	1 310 657	77 624	82 729	88 216	88 216	241 401	166 306	242 719	175 902	283 929	186 401	283 929	186 401	242 719	1 092 203	1 165 021	1 092 203	1 165 021
B	KZN232 uMdloti	57 529	62 351	67 173	72 000	2 918	3 006	3 122	3 122	20 255	20 165	32 540	21 832	36 047	23 701	36 047	23 701	32 540	60 247	65 377	60 247	65 377
B	KZN233 uMdloti	161 366	170 604	180 665	190 726	8 250	8 499	8 831	8 831	50 178	34 587	54 213	36 373	58 336	38 355	58 336	38 355	54 213	169 636	179 103	169 636	179 103
B	KZN234 uMdloti	198 842	209 507	220 172	230 837	9 691	9 691	9 691	9 691	66 139	45 589	72 869	48 353	78 212	51 424	78 212	51 424	72 869	206 533	219 894	206 533	219 894
B	KZN235 uMdloti	158 260	168 544	178 828	189 112	6 029	6 210	6 452	6 452	45 971	41 338	66 349	44 515	73 108	48 668	73 108	48 668	66 349	162 289	174 574	162 289	174 574
B	KZN236 uMdloti	392 133	423 834	455 535	487 236	60 874	64 878	69 180	69 180	64 878	69 180	64 878	69 180	64 878	69 180	64 878	69 180	64 878	453 007	488 712	453 007	488 712
B	KZN237 uMdloti	906 950	1 034 840	1 111 944	1 199 048	60 874	64 878	69 180	69 180	205 543	141 679	225 172	151 073	245 703	161 547	245 703	161 547	225 172	1 034 840	1 111 944	1 034 840	1 111 944
B	KZN238 uMdloti	466 982	509 929	542 876	585 823	2 822	2 700	2 807	2 807	8 662	5 970	9 338	6 265	10 027	6 592	10 027	6 592	9 338	466 982	509 929	466 982	509 929
B	KZN239 uMdloti	38 492	38 492	38 492	38 492	5 884	5 733	5 976	5 976	30 119	20 761	32 893	21 734	34 698	22 814	34 698	22 814	32 893	108 835	114 623	108 835	114 623
B	KZN240 uMdloti	103 351	108 870	114 389	120 000	106 771	113 793	121 340	121 340	38 781	26 751	41 732	27 999	44 725	29 406	44 725	29 406	41 732	201 814	214 724	201 814	214 724
B	KZN241 uMdloti	698 750	746 001	793 252	840 503	8 206	8 454	8 782	8 782	38 781	26 751	41 732	27 999	44 725	29 406	44 725	29 406	41 732	698 750	746 001	698 750	746 001
B	KZN242 uMdloti	89 172	94 367	100 562	106 757	4 251	4 379	4 509	4 509	26 828	18 492	29 054	19 493	31 336	20 603	31 336	20 603	29 054	93 423	98 746	93 423	98 746
B	KZN243 uMdloti	161 124	174 597	187 226	197 855	6 473	6 668	6 928	6 928	56 600	39 055	62 177	41 716	69 200	44 680	69 200	44 680	62 177	169 597	181 265	169 597	181 265
B	KZN244 uMdloti	187 494	201 285	215 076	228 867	10 028	10 331	10 733	10 733	74 448	49 938	79 200	53 137	72 448	49 938	79 200	53 137	72 448	230 520	245 556	230 520	245 556
B	KZN245 uMdloti	130 857	140 338	150 819	161 300	6 392	6 392	6 392	6 392	40 584	27 981	44 744	30 020	49 118	32 295	49 118	32 295	44 744	215 019	232 085	215 019	232 085
B	KZN246 uMdloti	452 497	519 239	586 081	652 823	61 901	66 972	70 340	70 340	36 306	24 341	37 485	24 341	38 536	24 341	38 536	24 341	37 485	452 497	519 239	452 497	519 239
B	KZN247 uMdloti	1 324 047	1 429 991	1 535 935	1 641 879	61 901	66 972	70 340	70 340	36 306	24 341	37 485	24 341	38 536	24 341	38 536	24 341	37 485	1 324 047	1 429 991	1 324 047	1 429 991
B	KZN248 uMdloti	1 313 467	1 404 051	1 504 635	1 605 219	31 224	32 166	33 410	33 410	268 576	185 127	292 844	196 476	318 998	219 009	318 998	219 009	292 844	1 433 185	1 519 673	1 433 185	1 519 673
B	KZN249 uMdloti	204 831	219 991	236 717	253 443	8 495	8 495	8 495	8 495	69 790	48 106	76 804	51 617	84 465	55 835	84 465	55 835	76 804	213 526	228 948	213 526	228 948
B	KZN250 uMdloti	230 492	238 225	251 395	264 565	10 028	10 331	10 733	10 733	72 448	49 938	79 200	53 137	72 448	49 938	79 200	53 137	72 448	230 520	245 556	230 520	245 556
B	KZN251 uMdloti	208 591	221 754	234 918	248 081	6 392	6 392	6 392	6 392	40 584	27 981	44 744	30 020	49 118	32 295	49 118	32 295	44 744	215 019	232 085	215 019	232 085
B	KZN252 uMdloti	452 497	519 239	586 081	652 823	61 901	66 972	70 340	70 340	36 306	24 341	37 485	24 341	38 536	24 341	38 536	24 341	37 485	452 497	519 239	452 497	519 239
B	KZN253 uMdloti	1 324 047	1 429 991	1 535 935	1 641 879	61 901	66 972	70 340	70 340	36 306	24 341	37 485	24 341	38 536	24 341	38 536	24 341	37 485	1 324 047	1 429 991	1 324 047	1 429 991
B	KZN254 uMdloti	1 313 467	1 404 051	1 504 635	1 605 219	31 224	32 166	33 410	33 410	268 576	185 127	292 844	196 476	318 998								

APPENDIX VI
 APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
 (EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILOR 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 Councilor Remuneration and Ward Committees				BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES				TOTAL ALLOCATIONS TO MUNICIPALITIES			
		2022/23		2023/24		2022/23		2023/24		2022/23		2023/24		2022/23		2023/24		2022/23		2023/24	
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
LIMPOPO																					
B	LM031	338 429	360 376	384 419	-	-	13 774	14 102	14 237	118 609	81 756	-	-	129 249	86 716	140 260	92 219	352 203	374 568	399 166	
B	LM032	328 630	379 247	375 866	-	-	13 330	13 574	14 271	108 735	89 492	-	-	127 372	83 857	333 356	99 883	341 960	350 383	388 277	
B	LM033	359 217	370 767	371 813	-	-	14 229	14 229	14 229	108 735	89 492	-	-	127 372	83 857	333 356	99 883	341 960	350 383	388 277	
B	LM034	181 603	195 281	200 278	-	-	8 250	8 499	8 831	67 899	46 882	-	-	74 883	50 214	82 156	15 064	189 853	205 280	219 290	
B	LM035	147 875	157 948	160 009	-	-	6 029	6 210	6 452	49 950	34 430	-	-	54 695	36 696	59 644	39 215	153 904	164 158	175 461	
DC	DC33	1 015 447	1 097 027	1 183 987	176 118	176 118	-	-	-	551 658	380 252	-	-	603 302	404 904	657 497	432 298	1 170 419	1 202 191	1 360 105	
	Total: Mpumali Municipalities	2 493 145	2 676 264	2 874 806	165 164	176 118	41 383	42 635	44 301	551 658	380 252	-	-	603 302	404 904	657 497	432 298	2 609 500	2 884 063	3 095 265	
B	LM041	188 461	208 042	230 155	-	-	5 332	5 494	5 708	83 148	57 313	-	-	94 189	63 194	106 255	69 862	193 795	213 536	235 863	
B	LM042	568 258	606 158	666 158	-	-	18 026	18 571	19 296	206 110	145 000	-	-	223 276	151 143	262 207	161 221	547 969	584 829	625 454	
B	LM043	448 889	479 226	510 654	-	-	15 804	16 326	16 917	182 088	125 512	-	-	199 051	133 548	216 033	124 633	445 809	478 226	510 654	
B	LM044	308 599	340 423	372 179	-	-	13 330	13 734	14 271	94 688	65 208	-	-	102 484	68 725	110 384	72 557	1 196 549	1 300 435	1 413 976	
B	LM045	285 999	304 823	329 179	-	-	13 330	13 734	14 271	94 688	65 208	-	-	102 484	68 725	110 384	72 557	301 329	318 557	337 490	
DC	DC35	458 624	467 134	497 114	331 397	331 397	-	-	-	331 397	-	-	-	331 397	-	-	-	702 252	777 919	825 511	
	Total: Capricorn District Municipality	2 296 305	2 462 206	2 648 216	331 397	331 397	30 214	31 313	32 387	210 422	151 246	-	-	253 642	158 014	253 642	166 294	2 018 127	2 207 121	2 407 240	
B	LM061	118 921	128 051	140 279	-	-	5 140	5 295	5 501	58 439	40 282	-	-	63 896	42 876	60 595	45 758	178 826	190 883	203 523	
B	LM062	200 071	223 270	246 827	-	-	3 807	3 921	4 073	118 865	79 249	-	-	129 786	85 333	129 786	85 333	334 260	357 024	383 127	
B	LM066	114 102	124 315	135 525	-	-	13 774	14 192	14 747	105 849	75 961	-	-	114 699	76 954	123 774	81 380	324 200	343 247	364 150	
B	LM067	538 476	570 087	607 300	-	-	13 330	13 734	14 271	94 688	65 208	-	-	102 484	68 725	110 384	72 557	535 476	570 087	607 300	
B	LM068	138 343	143 095	152 490	-	-	6 226	6 462	6 725	67 535	48 533	-	-	86 262	58 553	81 533	58 553	134 343	143 095	152 490	
DC	DC36	48 207	48 225	51 321	93 267	93 267	-	-	-	93 267	-	-	-	93 267	-	-	-	145 500	150 601	156 119	
	Total: Waterberg District Municipality	1 448 230	1 527 043	1 633 942	133 424	133 424	18 073	18 778	19 489	160 890	111 246	-	-	186 414	129 262	186 414	129 262	1 257 500	1 348 635	1 448 114	
B	LM071	171 717	183 238	195 922	-	-	7 409	7 525	7 641	58 439	40 282	-	-	63 896	42 876	60 595	45 758	178 826	190 883	203 523	
B	LM072	320 678	341 031	367 588	-	-	13 882	13 993	14 539	108 413	79 249	-	-	118 865	79 249	129 786	85 333	334 260	357 024	383 127	
B	LM073	329 055	349 403	369 403	-	-	13 774	14 192	14 747	105 849	75 961	-	-	114 699	76 954	123 774	81 380	324 200	343 247	364 150	
B	LM076	537 000	580 487	628 645	-	-	13 330	13 734	14 271	94 688	65 208	-	-	102 484	68 725	110 384	72 557	535 476	570 087	607 300	
DC	DC37	868 391	941 463	1 019 781	120 781	120 781	-	-	-	120 781	-	-	-	120 781	-	-	-	989 172	1 070 187	1 157 043	
	Total: Sedibone District Municipality	2 208 212	2 377 294	2 561 439	120 781	120 781	38 465	39 510	40 607	368 397	253 642	-	-	512 368	343 759	500 446	308 888	2 363 458	2 541 438	2 735 498	
	Total: Limpopo Municipalities	10 924 614	11 748 036	12 643 245	761 433	807 413	108 897	112 315	117 315	1 870 943	1 289 623	-	-	2 047 269	1 373 628	2 231 419	1 467 134	11 846 944	12 721 252	13 673 306	
Mpumalanga																					
B	MP001	377 319	404 598	434 220	-	-	10 916	11 246	11 685	-	-	-	-	-	-	-	-	388 235	415 844	445 905	
B	MP002	227 520	248 969	272 622	-	-	8 442	8 698	9 038	-	-	-	-	-	-	-	-	227 520	248 969	272 622	
B	MP003	298 532	321 035	340 037	-	-	4 096	4 337	4 582	-	-	-	-	-	-	-	-	303 974	329 733	358 075	
B	MP004	142 154	151 806	162 250	-	-	2 828	2 914	3 029	-	-	-	-	-	-	-	-	146 850	156 643	167 275	
B	MP005	152 423	165 184	179 130	-	-	2 828	2 914	3 029	-	-	-	-	-	-	-	-	152 423	165 184	179 130	
B	MP006	89 032	96 307	104 276	-	-	3 807	3 921	4 073	-	-	-	-	-	-	-	-	91 860	99 221	107 306	
B	MP007	380 023	417 947	459 878	-	-	13 774	14 192	14 747	105 849	75 961	-	-	114 699	76 954	123 774	81 380	330 023	347 947	369 878	
DC	DC38	489 878	520 849	551 820	316 094	316 094	-	-	-	316 094	-	-	-	316 094	-	-	-	868 760	909 731	940 702	
	Total: Gert Sibande District Municipality	1 679 992	1 822 309	1 979 618	301 666	301 666	38 462	39 695	40 928	368 397	253 642	-	-	512 368	343 759	500 446	308 888	2 008 540	2 158 063	2 312 409	
B	MP011	123 287	135 045	148 045	-	-	3 807	3 921	4 073	-	-	-	-	-	-	-	-	127 094	138 966	152 118	
B	MP012	493 518	547 463	607 598	-	-	8 442	8 698	9 038	-	-	-	-	-	-	-	-	493 518	547 463	607 598	
B	MP013	288 669	319 806	338 779	-	-	3 807	3 921	4 073	-	-	-	-	-	-	-	-	284 669	319 806	338 779	
B	MP014	78 677	82 879	89 659	-	-	3 807	3 921	4 073	-	-	-	-	-	-	-	-	80 242	86 552	93 475	
B	MP015	513 707	553 338	598 570	-	-	13 774	14 192	14 747	105 849	75 961	-	-	114 699	76 954	123 774	81 380	513 707	553 338	598 570	
DC	DC39	447 387	475 803	506 607	332 412	332 412	-	-	-	332 412	-	-	-	332 412	-	-	-	440 561	469 995	500 754	
	Total: KwaZulu Natal District Municipality	1 969 925	2 144 915	2 340 238	305 412	305 412	31 146	31 786	32 606	368 397	253 642	-	-	512 368	343 759	500 446	308 888	2 249 001	2 534 613	2 756 498	
B	MP021	181 905	199 036	217 938	-	-	6 029	6 210	6 452	-	-	-	-	-	-	-	-	187 934	205 246	224 390	
B	MP024	725 681	782 264	843 858	-	-	18 026	18 571	19 296	206 110	145 000	-	-	223 276	151 143	262 207	161 221	725 681	782 264	843 858	
B	MP025	979 294	1 036 679	1 127 308	-	-	15 804	16 326	16 917	182 088	125 512	-	-	199 051	133 548	216 033	124 633	979 294	1 036 679	1 127 308	
DC	DC32	109 955	117 426	124 553	183 174	183 174	-	-	-	183 174	-	-	-	183 174	-	-	-	284 129	303 679	324 616	
	Total: Dlamini District Municipality	2 932 293	3 109 082	3 323 312	323 312	323 312	6 029	6 210	6 452	60 881	42 642										

APPENDIX VI
APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILOR REMUNERATION + 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 Councilor Remuneration and Ward Committees		BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES				TOTAL ALLOCATIONS TO MUNICIPALITIES				
		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)			
		Water	Sanitation	Water	Sanitation	Water	Sanitation	Water	Sanitation	Water	Sanitation	Water	Sanitation			
NORTHERN CAPE																
B	NC061	20 792	23 388	-	-	-	-	-	-	-	-	-	-	23 414	25 089	26 935
B	NC062	8 472	9 874	-	-	-	-	-	-	-	-	-	-	8 472	9 874	11 276
B	NC063	29 871	33 542	-	-	-	-	-	-	-	-	-	-	29 871	33 542	37 213
B	NC065	30 342	33 848	-	-	-	-	-	-	-	-	-	-	30 342	33 848	37 354
B	NC066	29 697	33 978	-	-	-	-	-	-	-	-	-	-	29 697	33 978	38 263
B	NC067	23 052	26 472	-	-	-	-	-	-	-	-	-	-	23 052	26 472	29 883
C	DC6	9 564	10 632	42 694	45 630	44 595	47 531	21 474	22 141	21 474	22 141	-	-	256 190	270 968	287 113
Total: Northern Cape Municipalities		191 982	205 197	219 886	233 160	224 190	237 491	113 610	116 712	113 610	116 712	-	-	460 240	475 477	491 640
B	NC071	43 618	46 669	-	-	-	-	-	-	-	-	-	-	43 618	46 669	50 720
B	NC072	61 009	65 928	-	-	-	-	-	-	-	-	-	-	61 009	65 928	70 980
B	NC073	30 542	33 857	-	-	-	-	-	-	-	-	-	-	30 542	33 857	37 162
B	NC074	33 867	37 327	-	-	-	-	-	-	-	-	-	-	33 867	37 327	40 788
B	NC075	29 673	31 666	-	-	-	-	-	-	-	-	-	-	29 673	31 666	34 617
B	NC076	31 121	33 118	-	-	-	-	-	-	-	-	-	-	31 121	33 118	36 069
B	NC077	39 656	42 548	-	-	-	-	-	-	-	-	-	-	39 656	42 548	45 440
B	NC078	55 735	58 791	-	-	-	-	-	-	-	-	-	-	55 735	58 791	62 847
C	DC7	26 391	27 926	30 741	31 414	32 109	32 782	4 006	4 177	4 006	4 177	-	-	59 758	61 982	64 400
Total: Ficksi Ka Sene District Municipality		306 353	329 432	420 555	441 411	426 808	447 924	16 890	17 501	16 890	17 501	-	-	425 894	452 477	481 410
B	NC083	108 826	118 849	127 938	-	-	-	-	-	-	-	-	-	108 826	117 064	127 938
B	NC084	30 369	32 010	33 968	-	-	-	-	-	-	-	-	-	30 369	34 924	36 790
B	NC085	41 178	41 438	56 112	-	-	-	-	-	-	-	-	-	41 178	44 625	59 424
B	NC086	30 233	32 822	32 422	-	-	-	-	-	-	-	-	-	30 233	32 934	35 629
B	NC087	99 379	107 328	115 847	-	-	-	-	-	-	-	-	-	99 379	107 328	115 847
C	DC8	23 652	25 952	53 684	54 861	56 073	57 285	4 420	4 575	4 420	4 575	-	-	78 618	81 163	83 906
Total: Z.E. Mquma District Municipality		329 133	385 586	408 409	414 641	412 666	420 244	24 882	25 601	24 882	25 601	-	-	407 649	436 062	467 116
B	NC091	238 166	278 751	-	-	-	-	-	-	-	-	-	-	238 166	278 751	278 751
B	NC092	15 009	16 009	-	-	-	-	-	-	-	-	-	-	15 009	16 009	16 009
B	NC094	121 848	129 134	136 938	-	-	-	-	-	-	-	-	-	121 848	133 513	141 487
C	DC9	12 818	14 554	14 357	14 357	14 666	14 666	-	-	-	-	-	-	12 818	13 523	13 902
Total: Frances Baard District Municipality		513 667	612 904	612 904	612 904	612 904	612 904	612 904	612 904	612 904	612 904	-	-	663 486	704 283	748 342
B	NC051	172 366	182 340	-	-	-	-	-	-	-	-	-	-	172 366	180 000	190 277
B	NC052	229 296	243 296	-	-	-	-	-	-	-	-	-	-	229 296	229 604	250 224
B	NC053	50 352	57 124	64 820	-	-	-	-	-	-	-	-	-	50 352	57 124	64 820
C	DC8	48 868	49 694	55 109	56 378	57 624	57 624	4 420	4 575	4 420	4 575	-	-	92 257	105 717	109 899
Total: John Tshepo District Municipality		469 880	497 394	527 850	531 160	531 160	531 160	21 453	22 141	21 453	22 141	-	-	527 231	557 479	598 999
NORTHERN CAPPED MUNICIPALITIES																
Total: Northern Cape Municipalities		1 883 575	2 033 166	2 174 904	2 301 641	2 301 641	2 301 641	105 206	108 471	105 206	108 471	-	-	2 290 422	2 439 889	2 602 792
NORTH WEST																
B	NW071	400 798	429 476	457 151	-	-	-	-	-	-	-	-	-	415 351	441 379	469 519
B	NW072	941 456	1 037 538	1 144 194	-	-	-	-	-	-	-	-	-	941 456	1 037 538	1 144 194
B	NW073	941 352	1 030 064	1 171 812	-	-	-	-	-	-	-	-	-	941 352	1 030 064	1 171 812
B	NW074	513 242	547 423	584 510	-	-	-	-	-	-	-	-	-	513 242	547 423	584 510
C	DC7	1 107 556	1 197 209	1 265 330	1 271 657	1 277 162	1 282 666	13 852	13 923	13 852	13 923	-	-	381 952	395 846	410 921
Total: Bojanala Platinum District Municipality		3 017 920	3 300 594	3 613 574	3 613 574	3 613 574	3 613 574	43 283	44 456	43 283	44 456	-	-	3 326 453	3 616 417	3 937 218
B	NW081	144 234	152 829	162 239	-	-	-	-	-	-	-	-	-	150 626	159 416	169 085
B	NW082	134 559	143 580	153 511	-	-	-	-	-	-	-	-	-	140 790	149 989	160 171
B	NW083	332 887	358 097	380 697	-	-	-	-	-	-	-	-	-	327 798	352 887	380 697
B	NW084	191 232	200 258	214 258	-	-	-	-	-	-	-	-	-	191 232	200 258	214 258
C	DC8	370 473	396 973	424 573	424 573	424 573	424 573	8 341	8 341	8 341	8 341	-	-	874 124	918 282	952 332
Total: Siyaya World Metros District Municipality		1 069 459	1 183 849	1 265 330	1 265 330	1 265 330	1 265 330	26 947	27 167	26 947	27 167	-	-	1 107 770	1 189 366	1 274 932
B	NW092	63 376	67 932	-	-	-	-	-	-	-	-	-	-	63 376	67 932	72 233
B	NW093	61 294	67 589	72 321	-	-	-	-	-	-	-	-	-	66 849	71 251	76 127
B	NW094	232 445	245 255	-	-	-	-	-	-	-	-	-	-	232 445	243 432	256 672
B	NW095	60 994	65 513	-	-	-	-	-	-	-	-	-	-	60 994	64 394	69 047
B	NW097	138 345	143 822	153 987	-	-	-	-	-	-	-	-	-	144 818	152 400	160 915
C	DC9	474 121	521 621	569 284	569 284	569 284	569 284	83 476	83 476	83 476	83 476	-	-	474 121	521 621	569 284
Total: Dr. Ruth Sengalis Metros District Municipality		967 138	1 042 577	1 124 151	1 124 151	1 124 151	1 124 151	30 947	31 610	30 947	31 610	-	-	1 014 538	1 077 664	1 140 464
B	NW003	545 300	588 795	636 078	-	-	-	-	-	-	-	-	-	545 300	588 795	636 078
B	NW004	154 516	165 586	177 584	-	-	-	-	-	-	-	-	-	159 404	170 622	182 817
B	NW005	340 436	377 012	414 680	-	-	-	-	-	-	-	-	-	343 436	377 012	414 080
C	DC10	30 480	32 393	34 495	176 234	180 099	184 079	-	-	-	-	-	-	296 714	312 491	318 574
Total: Dr. Kenneth Kaunda District Municipality		1 079 732	1 163 794	1 262 837	1 262 837	1 262 837	1 262 837	4 888	5 036	4 888	5 036	-	-	1 254 854	1 348 918	1 451 549
Total: North West Municipalities																
Total: North West Municipalities		6 603 849	7 252 604	7 865 864	7 865 864	7 865 864	7 865 864	797 857	808 819	797 857	808 819	-	-	7 563 018	8 156 651	8 807 144

APPENDIX VI
 APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES
 (EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILOR 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 Councilor Remuneration and Ward Committees		BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES						TOTAL ALLOCATIONS TO MUNICIPALITIES	
		2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2022/23 (R'000)	2023/24 (R'000)	National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year			
		(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	(R'000)	(R'000)
WESTERN CAPE															
A	CPT - City of Cape Town	3 656 394	4 341 849	-	-	-	-	-	-	-	-	-	-	3 656 394	4 341 849
B	WC001 Matielanda	66 529	71 494	-	-	3 363	3 464	-	-	-	-	-	-	69 892	74 958
B	WC002 Galesburg	38 829	63 361	-	-	2 622	2 701	-	-	-	-	-	-	41 451	66 062
B	WC003 Beaufort West	64 316	97 362	-	-	2 918	3 008	-	-	-	-	-	-	67 234	100 370
B	WC004 Breeds Valley	108 227	132 552	-	-	6 023	6 219	-	-	-	-	-	-	114 250	138 771
B	WC005 Sutherland	138 228	140 297	-	-	-	-	-	-	-	-	-	-	138 228	140 297
C	DCU - West Coast District Municipality	23 008	24 488	80 366	82 127	83 943	83 943	-	-	-	-	-	-	103 374	106 615
	Total West Coast Municipalities	429 096	479 743	80 366	82 127	83 943	83 943	15 979	15 979	-	-	-	-	534 394	577 291
B	WC002 Wizenberg	121 668	132 945	-	-	-	-	-	-	-	-	-	-	121 668	132 945
B	WC003 Drakenstein	194 355	211 292	-	-	-	-	-	-	-	-	-	-	194 355	211 292
B	WC004 Stellenbosch	179 634	196 720	-	-	-	-	-	-	-	-	-	-	179 634	196 720
B	WC005 Breeds Valley	447 822	491 120	-	-	-	-	-	-	-	-	-	-	447 822	491 120
C	DC2 - Central Karoo District Municipality	97 498	101 374	170 374	170 374	-	-	-	-	-	-	-	-	147 872	151 748
C	DC2 - Cape Winelands District Municipality	2 891	3 071	3 368	3 368	5 140	5 140	5 801	5 801	-	-	-	-	251 385	256 451
	Total Cape Winelands Municipalities	708 758	802 227	248 404	253 850	259 462	259 462	5 801	5 801	-	-	-	-	992 302	1 104 472
B	WC001 Theewaterskloof	120 101	129 283	-	-	-	-	-	-	-	-	-	-	120 101	129 283
B	WC002 Overstrand	138 867	149 337	-	-	6 029	6 210	6 452	6 452	-	-	-	-	144 886	155 547
B	WC003 Cape Agulhas	34 415	37 049	-	-	2 622	2 701	2 807	2 807	-	-	-	-	37 037	39 750
B	WC004 Swellendam	37 053	40 087	-	-	2 622	2 701	2 807	2 807	-	-	-	-	39 675	42 788
C	DC3 - Overberg District Municipality	28 855	27 416	55 651	56 853	58 100	58 100	-	-	-	-	-	-	81 486	84 297
	Total Overberg Municipalities	282 291	303 172	55 651	56 853	58 100	58 100	12 066	12 066	-	-	-	-	420 195	451 655
B	WC001 Kennelied	31 500	33 310	-	-	3 337	3 337	1 797	1 797	-	-	-	-	33 259	35 140
B	WC002 Hessequa	50 251	54 027	-	-	4 016	4 158	4 321	4 321	-	-	-	-	54 267	58 365
B	WC003 Mossel Bay	112 547	122 001	-	-	6 473	6 668	6 928	6 928	-	-	-	-	119 020	128 669
B	WC004 George	193 460	210 287	-	-	-	-	-	-	-	-	-	-	193 460	210 287
B	WC005 Oudshoorn	83 847	89 541	-	-	5 584	5 733	5 976	5 976	-	-	-	-	89 431	95 294
B	WC006 Oudshoorn	126 101	140 100	-	-	2 918	3 006	3 122	3 122	-	-	-	-	129 019	143 106
B	WC007 Blydenburg	106 474	126 222	-	-	4 696	4 837	5 025	5 025	-	-	-	-	111 170	126 222
C	DC4 - Garden Route District Municipality	27 258	28 398	150 646	153 463	152 246	152 246	-	-	-	-	-	-	38 207	39 247
	Total Garden Route Municipalities	724 433	789 209	150 646	153 463	152 246	152 246	27 169	27 169	-	-	-	-	902 527	968 214
B	WC001 Langebaan	18 460	19 605	-	-	1 679	1 730	1 797	1 797	-	-	-	-	20 139	21 423
B	WC002 Princes Albert	24 869	26 737	-	-	1 679	1 730	1 797	1 797	-	-	-	-	26 548	28 467
B	WC003 Beaufort West	74 177	79 513	85 304	85 304	15 665	15 665	3 302	3 302	-	-	-	-	77 265	82 700
C	DC5 - Central Karoo District Municipality	18 239	20 330	15 334	15 665	16 037	16 037	2 883	2 883	-	-	-	-	36 456	37 809
	Total Central Karoo Municipalities	138 745	145 194	15 334	15 665	16 037	16 037	9 829	9 829	-	-	-	-	160 408	170 480
	Total Western Cape Municipalities	6 087 179	6 582 512	560 281	563 346	571 799	571 799	68 971	68 971	-	-	-	-	6 666 606	7 212 292
	National Total	80 023 080	86 409 997	93 585 238	6 248 711	6 524 115	6 867 110	1 009 702	1 071 437	1 113 622	1 113 622	22 440	7 280 145	4 902 262	4 786 619
														97 311 493	101 486 470

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		
		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		National and Municipal Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
EASTERN CAPE										
B	EC121 Mbashe	182 466	191 180	200 451	16 000	11 000	11 000	-	-	-
B	EC122 Mquma	169 616	177 716	186 334	12 000	12 000	12 000	-	-	-
B	EC123 Great Kei	10 312	10 804	11 328	13 000	10 900	14 041	-	-	-
B	EC124 Amahlathi	40 542	42 478	44 538	14 000	12 000	12 000	-	-	-
B	EC126 Ngqushwa	33 271	34 860	36 550	17 000	13 000	13 000	-	-	-
B	EC129 Raymond Mhlaba	52 449	54 954	57 619	14 000	12 000	12 000	-	-	-
	Total: Amathole Municipalities	488 656	511 992	536 820	86 000	70 900	74 041	-	-	-
B	EC131 Inxuba Yethemba	5 751	6 026	6 318	10 000	12 000	13 600	-	-	-
B	EC135 Intsika Yethu	102 622	107 523	112 737	10 000	14 000	14 000	-	-	-
B	EC136 Emalahleni	51 485	53 944	56 560	10 000	13 000	13 000	-	-	-
B	EC137 Engcobo	95 048	99 588	104 417	10 000	14 000	14 000	-	-	-
B	EC138 Sakhiszwe	22 856	23 947	25 108	10 000	15 000	15 000	-	-	-
B	EC139 Enoch Mgijima	47 684	49 962	52 384	10 000	12 000	14 000	-	-	-
	Total: Chris Hani Municipalities	325 446	340 990	357 524	60 000	80 000	83 600	-	-	-
B	EC141 Elundini	96 596	101 210	106 118	22 000	10 000	20 000	-	-	-
B	EC142 Senqu	66 318	69 485	72 854	20 000	10 000	20 000	-	-	-
B	EC145 Walter Sisulu	12 330	12 919	13 546	18 000	18 000	20 610	-	-	-
	Total: Joe Gqabi Municipalities	175 244	183 614	192 518	60 000	38 000	60 610	-	-	-
B	EC153 Ngquzva Hill	164 095	171 931	180 269	10 000	25 000	25 000	-	-	-
B	EC154 Port St Johns	93 278	97 732	102 472	10 000	22 000	29 000	-	-	-
B	EC155 Nyandeni	167 903	175 921	184 452	10 000	18 000	22 625	-	-	-
B	EC156 Mhlonlo	105 348	110 379	115 732	10 000	24 000	28 000	-	-	-
B	EC157 King Sabata Dalindyebo	194 499	203 788	213 670	10 000	21 000	26 000	-	-	-
	Total: O.R. Tambo Municipalities	725 123	759 751	796 595	50 000	110 000	130 625	-	-	-
B	EC441 Matatiele	103 972	108 937	114 220	30 000	30 000	30 000	-	-	-
B	EC442 Umzimvubu	105 572	110 614	115 978	20 000	30 000	25 725	-	-	-
B	EC443 Winnie Madikizela-Mandela	153 553	160 886	168 688	25 000	30 000	29 000	-	-	-
B	EC444 Ntabankulu	65 021	68 126	71 429	25 000	25 000	25 000	-	-	-
	Total: Alfred Nzo Municipalities	428 118	448 563	470 315	100 000	115 000	109 725	-	-	-
	Total: Eastern Cape Municipalities	2 142 587	2 244 910	2 353 772	356 000	413 900	458 601	-	-	-

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 2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	National and Municipal Financial Year 2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	National and Municipal Financial Year 2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
KWAZULU-NATAL										
B	KZN212 uMdoni	49 753	52 129	54 657	15 000	15 000	20 000	-	-	-
B	KZN213 uMzumbane	88 628	92 861	97 364	20 000	20 000	20 140	-	-	-
B	KZN214 uMuziwabantu	39 673	41 567	43 583	15 000	20 000	20 000	-	-	-
B	KZN216 Ray Nkonyeni	94 317	98 821	103 613	20 000	20 000	20 000	-	-	-
	Total: Ugu Municipalities	272 371	285 378	299 217	70 000	75 000	80 140	-	-	-
B	KZN221 uMshwathi	31 300	32 795	34 385	13 540	12 000	15 000	-	-	-
B	KZN222 uMngeni	20 714	21 704	22 756	12 000	12 000	24 000	-	-	-
B	KZN223 Mpozana	8 245	8 639	9 058	16 000	16 000	13 000	-	-	-
B	KZN224 iMpendle	12 036	12 611	13 222	15 540	23 000	15 000	-	-	-
B	KZN226 Mkhambathini	20 417	21 392	22 430	18 520	14 650	10 000	-	-	-
B	KZN227 Richmond	19 153	20 068	21 041	10 000	13 000	13 054	-	-	-
	Total: uMgungundlovu Municipalities	111 865	117 209	122 892	85 600	90 650	90 054	-	-	-
B	KZN235 Okhahlamba	49 841	52 221	54 753	25 000	30 000	30 000	-	-	-
B	KZN237 iNkosi Langalibalele	67 254	70 466	73 883	30 000	25 000	30 000	-	-	-
B	KZN238 Alfred Duma	89 386	93 655	98 197	25 800	30 800	34 756	-	-	-
	Total: uThukela Municipalities	206 481	216 342	226 833	80 800	85 800	94 756	-	-	-
B	KZN241 eNdumeni	10 238	10 727	11 247	20 000	22 000	23 000	-	-	-
B	KZN242 Nquthu	54 347	56 943	59 704	20 000	22 000	23 000	-	-	-
B	KZN244 uMsinga	89 904	94 197	98 765	20 000	21 901	24 801	-	-	-
B	KZN245 uMvoti	57 243	59 977	62 886	20 000	23 000	23 000	-	-	-
	Total: uMzinyathi Municipalities	211 732	221 844	232 602	80 000	88 901	93 801	-	-	-
B	KZN253 eMadlangeni	11 591	12 145	12 733	50 000	55 000	50 000	-	-	-
B	KZN254 Dannhauser	29 995	31 428	32 952	20 000	20 120	30 250	-	-	-
	Total: Amajuba Municipalities	41 586	43 573	45 685	70 000	75 120	80 250	-	-	-

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		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)
B	KZN261 eDumbe	17 688	18 532	19 431	20 000	15 000	-	-	-
B	KZN262 uPhongolo	50 560	52 974	55 543	15 000	17 000	15 000	-	-
B	KZN263 AbaQulusi	54 264	56 856	59 613	22 000	15 000	15 000	-	-
B	KZN265 Nongoma	79 383	83 174	87 208	23 000	30 000	32 894	-	-
B	KZN266 Ulundi	52 632	55 146	57 820	15 000	23 880	23 000	-	-
	Total: Zululand Municipalities	254 527	266 682	279 615	95 000	100 880	100 894	-	-
B	KZN271 uMhlabuyalingana	68 082	71 333	74 792	12 000	18 000	18 000	-	-
B	KZN272 Jozini	81 463	85 353	89 492	12 000	20 000	20 000	-	-
B	KZN275 Mtubatuba	61 159	64 080	67 187	20 000	19 000	19 000	-	-
B	KZN276 Big Five Hlabisa	31 574	33 082	34 686	16 000	12 320	20 564	-	-
	Total: uMkhanyakude Municipalities	242 278	253 848	266 157	60 000	69 320	77 564	-	-
B	KZN281 uMfolozi	36 562	38 308	40 166	15 000	20 000	24 000	-	-
B	KZN284 uMlalazi	83 287	87 264	91 496	14 000	20 000	21 000	-	-
B	KZN285 Mthonjaneni	31 944	33 470	35 093	18 000	15 000	18 275	-	-
B	KZN286 Nkandla	39 549	41 438	43 447	18 000	15 000	15 000	-	-
	Total: King Cetshwayo Municipalities	191 342	200 480	210 202	65 000	70 000	78 275	-	-
B	KZN291 Mandeni	47 238	49 494	51 894	20 000	25 000	20 000	-	-
B	KZN292 KwaDukuza	70 763	74 143	77 738	20 000	25 000	20 000	-	-
B	KZN293 Ndwedwe	49 486	51 849	54 363	15 000	15 000	20 500	-	-
B	KZN294 Maphumulo	48 985	51 324	53 813	25 000	25 000	25 000	-	-
	Total: iLembe Municipalities	216 472	226 810	237 808	80 000	90 000	85 500	-	-
B	KZN433 Greater Kokstad	11 704	12 263	12 857	25 000	30 000	30 400	-	-
B	KZN434 uBuhlebezwe	53 266	55 810	58 516	24 000	25 000	25 000	-	-
B	KZN435 uMzimkhulu	109 532	114 763	120 328	23 000	25 000	25 000	-	-
B	KZN436 Dr-Nkosazana Dlamini Zuma	51 506	53 966	56 583	23 000	20 000	20 000	-	-
	Total: Harry Gwala Municipalities	226 008	236 802	248 284	95 000	100 000	100 400	-	-
	Total: KwaZulu-Natal Municipalities	1 974 662	2 068 968	2 169 295	781 400	845 671	881 634	-	-

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		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
LIMPOPO										
B	LIM331 Greater Giyani	129 979	136 187	142 791	10 000	11 000	11 360	44 362	78 862	93 310
B	LIM332 Greater Letaba	102 893	107 807	113 034	10 000	13 000	11 000	-	-	-
B	LIM333 Greater Tzaneen	204 970	214 759	225 173	10 000	13 000	12 000	-	-	-
B	LIM334 Ba-Phalaborwa	36 520	38 264	40 120	10 000	16 000	13 000	-	-	-
B	LIM335 Maruleng	44 092	46 198	48 438	10 000	14 000	14 000	-	-	-
	Total: Mopani Municipalities	518 454	543 215	569 556	50 000	67 000	61 360	44 362	78 862	93 310
B	LIM341 Musina	31 833	33 353	34 971	15 000	19 790	19 605	-	-	-
B	LIM343 Thulamela	214 543	224 789	235 690	15 000	16 000	19 000	-	-	-
B	LIM344 Makhadlo	183 227	191 978	201 287	15 000	10 000	20 000	-	-	-
B	LIM345 Collins Chabane	158 632	166 208	174 268	15 000	19 000	20 000	-	-	-
	Total: Vhembe Municipalities	588 235	616 328	646 216	60 000	64 790	78 605	-	-	-
B	LIM351 Bloubaerg	91 884	96 272	100 940	42 500	33 600	35 600	-	-	-
B	LIM353 Molomo	61 300	64 228	67 343	42 500	31 000	35 424	-	-	-
B	LIM355 Lepelle-Nkumpi	107 359	112 487	117 941	30 000	39 000	36 788	-	-	-
	Total: Capricorn Municipalities	260 543	272 987	286 224	115 000	103 600	107 812	-	-	-
B	LIM471 Ephraim Mogale	56 430	59 167	61 000	15 000	12 000	16 000	17 000	18 000	18 000
B	LIM472 Elias Mosisoledi	130 043	136 254	142 861	11 652	15 000	16 000	8 000	18 000	18 000
B	LIM473 Makhuduthamaga	148 419	155 507	163 048	11 000	12 000	13 000	13 000	15 000	18 224
B	LIM476 Fetakgomo Tubase	210 250	220 291	230 974	14 000	15 425	13 324	13 652	13 425	13 000
	Total: Sekhukhune Municipalities	542 570	568 482	596 050	51 652	54 425	57 324	51 652	64 425	67 224
	Total: Limpopo Municipalities	1 909 802	2 001 012	2 098 046	276 652	289 815	305 101	96 014	143 287	160 534
NORTH WEST										
B	NW381 Radou	55 823	58 489	61 325	-	-	-	9 700	12 000	16 000
B	NW382 Tswaing	43 136	45 196	47 388	-	-	-	9 000	13 000	17 000
B	NW383 Matikeng	124 742	130 700	137 038	-	-	-	10 000	19 135	14 508
B	NW384 Ditsobotla	51 598	54 062	56 684	-	-	-	12 000	16 000	16 000
B	NW385 Ramotshere Moiloa	64 532	67 613	70 892	-	-	-	14 088	15 000	15 000
	Total: Ngaka Modiri Molema Municipalities	339 831	356 060	373 327	-	-	-	54 788	75 135	78 508
B	NW392 Naledi	13 270	13 904	14 578	18 000	19 000	22 000	-	-	-
B	NW393 Mmusa	11 325	11 866	12 442	23 000	23 000	22 000	-	-	-
B	NW394 Greater Taung	82 615	86 561	90 758	21 000	23 000	23 000	-	-	-
B	NW396 Lekwa-Tsemane	4 584	4 803	5 035	13 000	18 000	23 000	-	-	-
B	NW397 Kagisano-Molopo	42 134	44 145	46 285	15 000	17 000	20 000	-	-	-
	Total: Dr Ruth Segomotsi Mompati Municipalities	153 928	161 279	169 098	90 000	100 000	110 000	-	-	-
	Total: North West Municipalities	493 759	517 339	542 425	90 000	100 000	110 000	54 788	75 135	78 508
	National Total	6 520 810	6 832 229	7 163 538	1 504 052	1 649 386	1 755 336	150 802	218 422	239 042

APPENDIX W3

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

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

				Ring-fenced Municipal Infrastructure Grant and Integrated Urban Development Grant allocations for sport infrastructure		
				National and Municipal Financial Year		
Category	Municipality	Grant	Project	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
EASTERN CAPE						
B	EC109 Kou-Kamma	MIG	Upgrading of Kraakeel Sport Field (Ward 2)	8 000	-	-
Total: Sarah Baartman Municipalities				8 000	-	-
B	EC123 Great Kei	MIG	Construction of a sport field in Komga (Ward 7)	10 000	-	-
B	EC126 Ngqushwa	MIG	Rehabilitation of new creation sport field	10 000	-	-
Total: Amathole Municipalities				20 000	-	-
B	EC136 Emalahleni	MIG	Upgrading of Indwe Sport Field	10 000	-	-
Total: Chris Hani Municipalities				10 000	-	-
Total: Eastern Cape Municipalities				38 000	-	-
FREE STATE						
B	FS181 Maslonyana	MIG	Construction of Netball courts at Winnie Mandela Mesuem	2 000	-	-
B	FS182 Tokologo	MIG	Upgrading of Malebogo Community Stadium	10 000	-	-
Total: Lejweleputswa Municipalities				12 000	-	-
B	FS196 Mantsopa	MIG	Construction of a multi-sport facility in Mahlatswetsa	10 000	-	-
Total: Thabo Mofutsanyana Municipalities				10 000	-	-
Total: Free State Municipalities				22 000	-	-
B	GT484 Merafong City	MIG	Construction of a sport field within Merafong Local Municipality	10 000	-	-
Total: West Rand Municipalities				10 000	-	-
Total: Gauteng Municipalities				10 000	-	-
KWAZULU-NATAL						
B	KZN212 uMdoni	MIG	Upgrading to Umzinto Sport Field (Phase 5)	10 000	-	-
Total: Ugu Municipalities				10 000	-	-
B	KZN266 Ulundi	MIG	Construction of Ezihlabeni Sport Field	10 000	-	-
Total: Zululand Municipalities				10 000	-	-
B	KZN285 Mthonjaneni	MIG	Construction of Kwesezulu Sport Field (Ward 7)	10 000	-	-
Total: King Cetshwayo Municipalities				10 000	-	-
B	KZN292 KwaDukuza	MIG	Construction of Groutville Market Sport Field (Ward 10)	10 000	-	-
Total: iLembe Municipalities				10 000	-	-
Total: KwaZulu-Natal Municipalities				40 000	-	-
LIMPOPO						
B	LIM333 Greater Tzaneen	MIG	Construction of Leretjeng Sport Ground (Ward 11)	11 000	-	-
Total: Mopani Municipalities				11 000	-	-
B	LIM354 Polokwane	IUDG	Construction of a soft-ball stadium in Polokwane	10 000	-	-
Total: Capricorn Municipalities				10 000	-	-
B	LIM362 Lephalale	MIG	Construction of Marapong Sport Centre (Phase 2)	10 000	-	-
Total: Waterberg Municipalities				10 000	-	-
Total: Limpopo Municipalities				31 000	-	-
B	MP316 Dr JS Moroka	MIG	Construction of a sport field within Dr. JS Moroka Local Municipality	10 058	-	-
Total: Nkangala Municipalities				10 058	-	-
Total: Mpumalanga Municipalities				10 058	-	-
NORTHERN CAPE						
B	NC066 Karoo Hoogland	MIG	Upgrading of Willistone Sport Facility	9 000	-	-
Total: Namakwa Municipalities				9 000	-	-
B	NC072 Umsobomvu	MIG	Upgrading of Kuyasa Sport Ground in Colesberg	9 500	-	-
B	NC073 Emthanjeni	MIG	Upgrading of the Nonzwakazi Stadium	9 500	-	-
B	NC074 Kareeberg	MIG	Upgrading of sport facility in Carnarvon	11 000	-	-
Total: Pixley Ka Seme Municipalities				30 000	-	-
B	NC093 Magareng	MIG	Upgrading of Ikhtsenseng Sport Facility (Phase 2)	6 500	-	-
Total: Frances Baard Municipalities				6 500	-	-
Total: Northern Cape Municipalities				45 500	-	-

APPENDIX W3

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

				Ring-fenced Municipal Infrastructure Grant and Integrated Urban Development Grant allocations for sport infrastructure		
				National and Municipal Financial Year		
Category	Municipality	Grant	Project	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
NORTH WEST						
B	NW383 Mafikeng	MIG	Upgrading Mmabatho Tennis Stadium	10 300	-	-
Total: Ngaka Modiri Molema Municipalities				10 300	-	-
Total: North West Municipalities				10 300	-	-
WESTERN CAPE						
B	WC015 Swartland	MIG	Upgrading of Sarling and Chartsworth sport fields	10 000	-	-
Total: West Coast Municipalities				10 000	-	-
B	WC025 Breede Valley	MIG	Upgrading of Dewel and Rawsonville sport grounds	6 000	-	-
Total: Cape Winelands Municipalities				6 000	-	-
B	WC042 Hessequa	MIG	Construction of new cricket and soccer facility in Heidelberg	9 000	-	-
B	WC045 Oudtshoorn	MIG	Upgrading of Bongoletu Sport Ground	10 000	-	-
B	WC048 Knysna	MIG	Construction of sport field and sport facilities in Bongani (Phase 2)	11 000	-	-
Total: Garden Route Municipalities				30 000	-	-
Total: Western Cape Municipalities				46 000	-	-
Unallocated					252 858	252 858
National Total				252 858	252 858	252 858

APPENDIX W4

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

(National and Municipal Financial Years)

APPENDIX W4

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

		Expanded Public Works Programme Integrated Grant for Municipalities			
Category	Municipality	FTE Target for 2022/23	National and Municipal Financial Year		
			2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
EASTERN CAPE					
A	BUF Buffalo City	2 051	10 728	-	-
A	NMA Nelson Mandela Bay	2 527	9 884	-	-
B	EC101 Dr Beyers Naude	88	1 624	-	-
B	EC102 Blue Crane Route	79	1 302	-	-
B	EC104 Makana	62	1 333	-	-
B	EC105 Ndlambe	99	1 730	-	-
B	EC106 Sundays River Valley	112	1 206	-	-
B	EC108 Kouga	107	1 175	-	-
B	EC109 Kou-Kamma	80	1 270	-	-
C	DC10 Sarah Baartman District Municipality	18	1 073	-	-
Total: Sarah Baartman Municipalities		645	10 713	-	-
B	EC121 Mbhashe	307	3 498	-	-
B	EC122 Mnquma	168	2 015	-	-
B	EC123 Great Kei	72	1 050	-	-
B	EC124 Amahlathi	124	1 568	-	-
B	EC126 Ngqushwa	112	2 060	-	-
B	EC129 Raymond Mhlaba	193	2 838	-	-
C	DC12 Amathole District Municipality	840	4 999	-	-
Total: Amathole Municipalities		1 816	18 028	-	-
B	EC131 Inxuba Yethemba	203	1 778	-	-
B	EC135 Intsika Yethu	182	2 398	-	-
B	EC136 Emalahleni	138	1 692	-	-
B	EC137 Engcobo	336	3 712	-	-
B	EC138 Sakhisizwe	92	1 522	-	-
B	EC139 Enoch Mgijima	327	3 088	-	-
C	DC13 Chris Hani District Municipality	693	3 630	-	-
Total: Chris Hani Municipalities		1 971	17 820	-	-
B	EC141 Elundini	176	2 539	-	-
B	EC142 Senqu	114	1 658	-	-
B	EC145 Walter Sisulu	165	1 352	-	-
C	DC14 Joe Gqabi District Municipality	289	1 314	-	-
Total: Joe Gqabi Municipalities		744	6 863	-	-
B	EC153 Ngquza Hill	153	1 616	-	-
B	EC154 Port St Johns	143	1 582	-	-
B	EC155 Nyandeni	197	1 859	-	-
B	EC156 Mhlontlo	143	2 300	-	-
B	EC157 King Sabata Dalindyebo	422	4 191	-	-
C	DC15 O.R. Tambo District Municipality	1 380	11 542	-	-
Total: O.R. Tambo Municipalities		2 438	23 090	-	-
B	EC441 Matatiele	272	4 810	-	-
B	EC442 Umzimvubu	201	3 352	-	-
B	EC443 Winnie Madikizela-Mandela	172	3 687	-	-
B	EC444 Ntabankulu	138	2 794	-	-
C	DC44 Alfred Nzo District Municipality	754	9 337	-	-
Total: Alfred Nzo Municipalities		1 537	23 980	-	-
Total: Eastern Cape Municipalities		13 729	121 106	-	-

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 2022/23	National and Municipal Financial Year			
			2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	
FREE STATE						
A	MAN Mangaung	1 755	1 566	-	-	
B	FS161 Letsemeng	64	1 073	-	-	
B	FS162 Kopanong	70	1 204	-	-	
B	FS163 Mohokare	77	1 073	-	-	
C	DC16 Xhariep District Municipality	72	1 120	-	-	
Total: Xhariep Municipalities		283	4 470	-	-	
B	FS181 Masilonyana	71	1 295	-	-	
B	FS182 Tokologo	48	1 073	-	-	
B	FS183 Tswelopele	72	1 141	-	-	
B	FS184 Matjhabeng	279	5 191	-	-	
B	FS185 Nala	76	1 398	-	-	
C	DC18 Lejweleputswa District Municipality	34	1 265	-	-	
Total: Lejweleputswa Municipalities		580	11 363	-	-	
B	FS191 Setsoto	167	2 188	-	-	
B	FS192 Dihlabeng	153	5 591	-	-	
B	FS193 Nketoana	63	1 073	-	-	
B	FS194 Maluti-a-Phofung	752	6 165	-	-	
B	FS195 Phumelela	56	1 130	-	-	
B	FS196 Mantsopa	73	1 337	-	-	
C	DC19 Thabo Mofutsanyana District Municipality	127	5 356	-	-	
Total: Thabo Mofutsanyana Municipalities		1 391	22 840	-	-	
B	FS201 Moqhaka	90	1 428	-	-	
B	FS203 Ngwathe	114	2 240	-	-	
B	FS204 Metsimaholo	114	1 523	-	-	
B	FS205 Mafube	-	-	-	-	
C	DC20 Fezile Dabi District Municipality	23	1 277	-	-	
Total: Fezile Dabi Municipalities		341	6 468	-	-	
Total: Free State Municipalities		4 350	46 707	-	-	
GAUTENG						
A	EKU City of Ekurhuleni	5 160	24 041	-	-	
A	JHB City of Johannesburg	5 525	7 700	-	-	
A	TSH City of Tshwane	6 563	15 496	-	-	
B	GT421 Emfuleni	526	1 799	-	-	
B	GT422 Midvaal	95	2 553	-	-	
B	GT423 Lesedi	82	1 228	-	-	
C	DC42 Sedibeng District Municipality	756	1 283	-	-	
Total: Sedibeng Municipalities		1 459	6 863	-	-	
B	GT481 Mogale City	622	8 123	-	-	
B	GT484 Merafong City	143	1 062	-	-	
B	GT485 Rand West City	213	3 878	-	-	
C	DC48 West Rand District Municipality	55	1 221	-	-	
Total: West Rand Municipalities		1 033	14 284	-	-	
Total: Gauteng Municipalities		19 740	68 384	-	-	

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 2022/23	National and Municipal Financial Year		
			2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
KWAZULU-NATAL					
A	ETH eThekweni	6 027	61 257	-	-
B	KZN212 uMdoni	108	1 772	-	-
B	KZN213 uMzumbane	89	1 699	-	-
B	KZN214 uMuziwabantu	67	981	-	-
B	KZN216 Ray Nkonyeni	332	6 076	-	-
C	DC21 Ugu District Municipality	634	3 319	-	-
Total: Ugu Municipalities		1 230	13 847	-	-
B	KZN221 uMshwathi	88	1 820	-	-
B	KZN222 uMngeni	68	1 400	-	-
B	KZN223 Mpofana	40	1 216	-	-
B	KZN224 iMpendle	59	1 430	-	-
B	KZN225 Msunduzi	936	5 231	-	-
B	KZN226 Mkhambathini	61	1 671	-	-
B	KZN227 Richmond	91	1 287	-	-
C	DC22 uMgungundlovu District Municipality	221	2 287	-	-
Total: uMgungundlovu Municipalities		1 564	16 342	-	-
B	KZN235 Okhahlamba	150	3 638	-	-
B	KZN237 iNkosi Langalibalele	141	2 043	-	-
B	KZN238 Alfred Duma	162	2 993	-	-
C	DC23 uThukela District Municipality	344	2 881	-	-
Total: uThukela Municipalities		797	11 555	-	-
B	KZN241 eNdumeni	80	1 577	-	-
B	KZN242 Nquthu	62	1 546	-	-
B	KZN244 uMsinga	115	4 867	-	-
B	KZN245 uMvoti	139	2 704	-	-
C	DC24 uMzinyathi District Municipality	439	4 779	-	-
Total: uMzinyathi Municipalities		835	15 473	-	-
B	KZN252 Newcastle	343	3 753	-	-
B	KZN253 eMadlangeni	34	978	-	-
B	KZN254 Dannhauser	44	950	-	-
C	DC25 Amajuba District Municipality	103	1 902	-	-
Total: Amajuba Municipalities		524	7 583	-	-
B	KZN261 eDumbe	56	1 500	-	-
B	KZN262 uPhongolo	174	2 978	-	-
B	KZN263 Abaqulusi	143	2 773	-	-
B	KZN265 Nongoma	116	2 946	-	-
B	KZN266 Ulundi	146	4 711	-	-
C	DC26 Zululand District Municipality	464	8 517	-	-
Total: Zululand Municipalities		1 099	23 425	-	-
B	KZN271 uMhlabuyalingana	219	1 975	-	-
B	KZN272 Jozini	211	4 095	-	-
B	KZN275 Mtubatuba	117	2 077	-	-
B	KZN276 Big Five Hlabisa	115	2 304	-	-
C	DC27 uMkhanyakude District Municipality	408	6 993	-	-
Total: uMkhanyakude Municipalities		1 070	17 444	-	-
B	KZN281 uMfolozi	133	1 847	-	-
B	KZN282 uMhlatuze	252	3 213	-	-
B	KZN284 uMlalazi	239	4 098	-	-
B	KZN285 Mthonjaneni	103	2 536	-	-
B	KZN286 Nkandla	179	3 626	-	-
C	DC28 King Cetshwayo District Municipality	404	4 742	-	-
Total: King Cetshwayo Municipalities		1 310	20 062	-	-
B	KZN291 Mandeni	106	2 372	-	-
B	KZN292 KwaDukuza	221	1 868	-	-
B	KZN293 Ndwedwe	127	2 277	-	-
B	KZN294 Maphumulo	78	2 081	-	-
C	DC29 iLembe District Municipality	370	5 439	-	-
Total: iLembe Municipalities		902	14 037	-	-
B	KZN433 Greater Kokstad	134	4 266	-	-
B	KZN434 uBuhlebezwe	69	2 245	-	-
B	KZN435 uMzimkhulu	172	3 573	-	-
B	KZN436 Dr Nkosazana Dlamini Zuma	79	2 476	-	-
C	DC43 Harry Gwala District Municipality	365	5 221	-	-
Total: Harry Gwala Municipalities		819	17 781	-	-
Total: KwaZulu-Natal Municipalities		16 177	218 806	-	-

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 2022/23	National and Municipal Financial Year		
			2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
LIMPOPO					
B	LIM331 Greater Giyani	252	4 035	-	-
B	LIM332 Greater Letaba	137	2 139	-	-
B	LIM333 Greater Tzaneen	808	8 065	-	-
B	LIM334 Ba-Phalaborwa	71	1 186	-	-
B	LIM335 Maruleng	63	1 246	-	-
C	DC33 Mopani District Municipality	952	10 600	-	-
Total: Mopani Municipalities		2 283	27 271	-	-
B	LIM341 Musina	128	1 390	-	-
B	LIM343 Thulamela	775	4 864	-	-
B	LIM344 Makhado	328	3 259	-	-
B	LIM345 Collins Chabane	175	1 759	-	-
C	DC34 Vhembe District Municipality	938	4 754	-	-
Total: Vhembe Municipalities		2 344	16 026	-	-
B	LIM351 Blouberg	187	1 950	-	-
B	LIM353 Molemole	92	1 407	-	-
B	LIM354 Polokwane	1 450	11 570	-	-
B	LIM355 Lepele-Nkumpi	162	1 380	-	-
C	DC35 Capricorn District Municipality	873	3 747	-	-
Total: Capricorn Municipalities		2 764	20 054	-	-
B	LIM361 Thabazimbi	95	1 256	-	-
B	LIM362 Lephale	154	1 292	-	-
B	LIM366 Bela-Bela	75	1 502	-	-
B	LIM367 Mogalakwena	388	1 161	-	-
B	LIM368 Modimolle-Mookgophong	140	2 041	-	-
C	DC36 Waterberg District Municipality	-	-	-	-
Total: Waterberg Municipalities		852	7 252	-	-
B	LIM471 Ephraim Mogale	91	1 310	-	-
B	LIM472 Elias Mtsosaledi	199	1 796	-	-
B	LIM473 Makhuduthamaga	131	1 925	-	-
B	LIM476 Fetakgomo Tubatse	211	1 285	-	-
C	DC47 Sekhukhune District Municipality	933	13 010	-	-
Total: Sekhukhune Municipalities		1 565	19 326	-	-
Total: Limpopo Municipalities		9 808	89 929	-	-
MPUMALANGA					
B	MP301 Chief Albert Luthuli	232	2 227	-	-
B	MP302 Msukaligwa	200	1 766	-	-
B	MP303 Mkhondo	238	2 855	-	-
B	MP304 Dr Pixley ka Isaka Seme	135	1 874	-	-
B	MP305 Lekwa	67	1 855	-	-
B	MP306 Dipaleseng	75	1 444	-	-
B	MP307 Govan Mbeki	245	2 629	-	-
C	DC30 Gert Sibande District Municipality	431	2 595	-	-
Total: Gert Sibande Municipalities		1 623	17 245	-	-
B	MP311 Victor Khanye	213	2 284	-	-
B	MP312 Emalahleni	381	6 151	-	-
B	MP313 Steve Tshwete	465	4 780	-	-
B	MP314 Emakhazeni	90	1 473	-	-
B	MP315 Thembisile Hani	374	3 735	-	-
B	MP316 Dr JS Moroka	376	2 432	-	-
C	DC31 Nkangala District Municipality	159	2 315	-	-
Total: Nkangala Municipalities		2 058	23 170	-	-
B	MP321 Thaba Chweu	162	1 932	-	-
B	MP324 Nkomazi	791	4 621	-	-
B	MP325 Bushbuckridge	973	5 219	-	-
B	MP326 City of Mbombela	1 166	8 555	-	-
C	DC32 Ehlanzeni District Municipality	188	2 457	-	-
Total: Ehlanzeni Municipalities		3 280	22 784	-	-
Total: Mpumalanga Municipalities		6 961	63 199	-	-

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 2022/23	National and Municipal Financial Year		
			2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
NORTHERN CAPE					
B	NC061 Richtersveld	29	950	-	-
B	NC062 Nama Khoi	38	1 212	-	-
B	NC064 Kamiesberg	13	950	-	-
B	NC065 Hantam	45	1 564	-	-
B	NC066 Karoo Hoogland	14	1 073	-	-
B	NC067 Khâi-Ma	-	-	-	-
C	DC6 Namakwa District Municipality	30	1 073	-	-
Total: Namakwa Municipalities		169	6 822	-	-
B	NC071 Ubuntu	23	950	-	-
B	NC072 Umsobomvu	20	1 073	-	-
B	NC073 Emthanjeni	21	1 073	-	-
B	NC074 Kareeberg	29	950	-	-
B	NC075 Renosterberg	39	1 073	-	-
B	NC076 Thembelihle	41	1 077	-	-
B	NC077 Siyathemba	22	1 073	-	-
B	NC078 Siyancuma	48	1 073	-	-
C	DC7 Pixley Ka Seme District Municipality	38	1 073	-	-
Total: Pixley Ka Seme Municipalities		281	9 415	-	-
B	NC082 !Kai !Garib	56	1 120	-	-
B	NC084 !Kheis	38	1 073	-	-
B	NC085 Tsantsabane	63	1 070	-	-
B	NC086 Kgatelopele	14	1 073	-	-
B	NC087 Dawid Kruiper	45	1 073	-	-
C	DC8 Z.F. Mgcawu District Municipality	43	1 073	-	-
Total: Z.F. Mgcawu Municipalities		259	6 482	-	-
B	NC091 Sol Plaatje	552	3 959	-	-
B	NC092 Dikgatlong	49	1 073	-	-
B	NC093 Magareng	19	1 073	-	-
B	NC094 Phokwane	-	-	-	-
C	DC9 Frances Baard District Municipality	35	1 073	-	-
Total: Frances Baard Municipalities		655	7 178	-	-
B	NC451 Joe Morolong	165	1 139	-	-
B	NC452 Ga-Segonyana	94	1 519	-	-
B	NC453 Gamagara	63	1 073	-	-
C	DC45 John Taolo Gaetsewe District Municipality	24	1 073	-	-
Total: John Taolo Gaetsewe Municipalities		346	4 804	-	-
Total: Northern Cape Municipalities		1 710	34 701	-	-
NORTH WEST					
B	NW371 Moretele	509	1 998	-	-
B	NW372 Madibeng	614	1 094	-	-
B	NW373 Rustenburg	702	2 853	-	-
B	NW374 Kgetlengrivier	116	1 000	-	-
B	NW375 Moses Kotane	391	1 652	-	-
C	DC37 Bojanala Platinum District Municipality	149	1 546	-	-
Total: Bojanala Platinum Municipalities		2 481	10 143	-	-
B	NW381 Ratlou	157	1 231	-	-
B	NW382 Tswaing	128	1 685	-	-
B	NW383 Mafikeng	272	2 238	-	-
B	NW384 Ditsobotla	147	1 081	-	-
B	NW385 Ramotshere Moiloa	133	1 383	-	-
C	DC38 Ngaka Modiri Molema District Municipality	619	2 040	-	-
Total: Ngaka Modiri Molema Municipalities		1 456	9 658	-	-
B	NW392 Naledi	144	1 214	-	-
B	NW393 Mamusa	109	1 449	-	-
B	NW394 Greater Taung	157	2 255	-	-
B	NW396 Lekwa-Teemane	90	1 270	-	-
B	NW397 Kagisano-Molopo	222	2 244	-	-
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	388	1 396	-	-
Total: Dr Ruth Segomotsi Mompati Municipalities		1 110	9 828	-	-
B	NW403 City of Matlosana	228	2 181	-	-
B	NW404 Maquassi Hills	113	1 544	-	-
B	NW405 JB Marks	241	2 339	-	-
C	DC40 Dr Kenneth Kaunda District Municipality	94	2 379	-	-
Total: Dr Kenneth Kaunda Municipalities		676	8 443	-	-
Total: North West Municipalities		5 723	38 072	-	-

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 2022/23	National and Municipal Financial Year		
			2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
WESTERN CAPE					
A	CPT City of Cape Town	7 342	42 406	-	-
B	WC011 Matzikama	99	1 569	-	-
B	WC012 Cederberg	136	1 359	-	-
B	WC013 Bergrivier	57	1 662	-	-
B	WC014 Saldanha Bay	90	2 907	-	-
B	WC015 Swartland	131	1 873	-	-
C	DC1 West Coast District Municipality	40	1 194	-	-
Total: West Coast Municipalities		553	10 564	-	-
B	WC022 Witzenberg	159	2 237	-	-
B	WC023 Drakenstein	483	4 139	-	-
B	WC024 Stellenbosch	562	4 928	-	-
B	WC025 Breede Valley	332	3 301	-	-
B	WC026 Langeberg	130	2 647	-	-
C	DC2 Cape Winelands District Municipality	123	1 369	-	-
Total: Cape Winelands Municipalities		1 789	18 621	-	-
B	WC031 Theewaterskloof	120	2 077	-	-
B	WC032 Overstrand	254	2 593	-	-
B	WC033 Cape Agulhas	105	1 773	-	-
B	WC034 Swellendam	73	1 497	-	-
C	DC3 Overberg District Municipality	75	1 123	-	-
Total: Overberg Municipalities		627	9 063	-	-
B	WC041 Kannaland	54	1 031	-	-
B	WC042 Hessequa	42	1 164	-	-
B	WC043 Mossel Bay	317	1 935	-	-
B	WC044 George	456	1 990	-	-
B	WC045 Oudtshoorn	208	1 310	-	-
B	WC047 Bitou	237	1 155	-	-
B	WC048 Knysna	109	1 044	-	-
C	DC4 Garden Route District Municipality	98	2 440	-	-
Total: Garden Route Municipalities		1 521	12 069	-	-
B	WC051 Laingsburg	47	1 074	-	-
B	WC052 Prince Albert	36	1 237	-	-
B	WC053 Beaufort West	125	1 136	-	-
C	DC5 Central Karoo District Municipality	56	1 321	-	-
Total: Central Karoo Municipalities		264	4 768	-	-
Total: Western Cape Municipalities		12 096	97 491	-	-
Unallocated				781 385	816 477
National Total		90 294	778 395	781 385	816 477

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		
					2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
EASTERN CAPE										
RS05	Iswazi Bulk Water Supply	B	Dr Beyers Naude Local Municipality	Dr Beyers Naude Local Municipality	-	-	-	25 000	17 000	-
RS01	Graaf-Reinet Emergency Water Supply Scheme (WSS)	EC101	Dr Beyers Naude Local Municipality	Dr Beyers Naude Local Municipality	-	-	-	7 000	1 000	-
RS06	Kirkwood Water Treatment Works	EC101	Dr Beyers Naude Local Municipality	Dr Beyers Naude Local Municipality	-	-	-	15 000	1 000	-
RS42	James Kleyanans Bulk Water Supply (BWS)	B	Makana Local Municipality	Makana Local Municipality	-	-	-	30 000	26 743	26 743
RS47	Mayfield Waste Water Treatment Works	B	Makana Local Municipality	Makana Local Municipality	-	-	-	-	10 000	-
RL01	Ndlambe Bulk Water Supply	B	Ndlambe Local Municipality	Ndlambe Local Municipality	-	-	-	26 246	10 000	-
RS02	Sundays River - Paterson Bulk Water Supply	B	Sundays River Valley Local Municipality	Sundays River Valley Local Municipality	-	-	-	4 500	-	-
RS07	Misgund Bulk Water Supply	B	Kou-kamma Local Municipality	Koukamma Local Municipality	-	-	-	10 000	1 000	-
	Total: Sarah Baartman Municipalities				-	-	-	117 746	65 743	26 743
RL16	Xhosa East Water Supply	C	Amathole District Municipality	Mbaashe Local Municipality	-	-	-	15 000	-	-
RL	Sundawana Water Supply	C	Amathole District Municipality	Mbaashe Local Municipality	-	-	-	-	40 000	40 000
RS	Nqamakhwe Bulk Water Supply (Butterworth Water Transfer Scheme)	C	Amathole District Municipality	Mquma Local Municipality	-	-	-	207 935	204 237	243 098
	Total: Xantoko Municipalities				-	-	-	222 935	244 237	283 098
RBIG-5b	Cluster 4 CHDM Bulk Water Supply	C	Chris Hani District Municipality	Engobo Local Municipality	60 000	35 316	30 000	-	-	-
RBIG-5b	Cluster 6 CHDM Bulk Water Supply	C	Chris Hani District Municipality	Engobo Local Municipality	30 000	7 586	40 000	-	-	-
RBIG-5b	Cluster 9 CHDM Bulk Water Supply	C	Chris Hani District Municipality	Intshika Yethu Local Municipality	48 000	14 814	25 000	-	-	-
RBIG-5b	Xonxa Bulk Water Supply	C	Chris Hani District Municipality	Engobo Local Municipality	68 907	20 000	20 000	-	-	-
RBIG-5b	Hofmeyr Ground Water Supply	C	Chris Hani District Municipality	Enoch Mgijima Local Municipality	10 000	-	-	-	-	-
	Total: Chris Hani Municipalities				216 907	77 716	115 000	-	-	-
RBIG-5b	Sterkspruit Waste Water Treatment Works	C	Joe Gqabi District Municipality	Sesqu Local Municipality	15 000	20 000	40 000	-	-	-
	Total: Joe Gqabi Municipalities				15 000	20 000	40 000	-	-	-
RBIG-5b	O.R. Tambo, Mthatha, King Sabata Dalindyebo Water Supply	C	O.R. Tambo District Municipality	King Sabata Dalindyebo Local Municipality	200 000	383 133	347 444	-	-	-
	Total: O.R. Tambo Municipalities				200 000	383 133	347 444	-	-	-
RS48	Kinira Regional BWSS	C	Alfred Nzo District Municipality	Matatiele Local Municipality	-	-	-	-	13 969	30 000
RS43	Ntabankulu Bulk Water Supply	C	Alfred Nzo District Municipality	Ntabankulu Local Municipality	-	-	-	15 000	15 000	15 000
RS49	Mount Ayiff Bulk Peri Urban Water Supply	C	Alfred Nzo District Municipality	Umzimvubu Local Municipality	-	-	-	-	-	-
RS50	Mkemanze Regional Bulk WSS	C	Alfred Nzo District Municipality	Umzimvubu Local Municipality	-	-	-	15 000	15 000	15 000
	Total: Alfred Nzo Municipalities				-	-	-	15 000	43 969	60 000
	Total: Eastern Cape Municipalities				431 907	480 849	502 444	355 681	353 949	369 841

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		National and Municipal Financial Year	
					2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
FREE STATE										
RS12	Ingersfontein/Fauresmith Bulk Water Supply	B	FS162	Kopanong Local Municipality	-	-	-	1 000	-	-
RBIG-5b	Rouxville /Smithfield/Zastron Bulk Water Supply	B	FS163	Mohale's Kraai Local Municipality	4 407	-	-	1 000	-	-
	Total: Xhariep Municipalities				4 407	-	-	1 000	-	-
RS52	Masiloayana Bulk Water Supply	B	FS181	Masiloayana Local Municipality	-	-	-	40 000	160 000	75 000
RL62	Masiloayana Bulk Sewer (wingburg)	B	FS181	Masiloayana Local Municipality	-	-	-	-	33 000	20 000
Covid-19	Brandford bulk sewer	B	FS181	Masiloayana Local Municipality	-	-	-	20 000	30 000	-
RL24	Tokologo Regional Water Supply 2	B	FS182	Tokologo Local Municipality	-	53 000	-	100 000	80 900	30 000
BEP	Deatleyville Bulk Sewer Services	B	FS182	Tokologo Local Municipality	-	-	-	9 236	-	-
RS18	Tswelopele Bulk Water Supply	B	FS183	Tswelopele Local Municipality	-	-	-	13 329	10 000	50 447
RL34	Matijabeng Bulk Sewer (Welkom)	B	FS184	Matijabeng Local Municipality	-	-	-	15 000	50 999	100 000
	Total: Lejwereldmunicipalities				-	53 000	100 000	166 565	364 899	275 447
RBIG-5b	Seiso Local Water Supply	B	FS191	Seiso Local Municipality	150 000	-	-	-	-	-
BEP	Cloofan Bulk Sewer Services	B	FS191	Seiso Local Municipality	-	-	-	53 326	-	-
BEP	Ficksburg Bulk Sewer Services	B	FS191	Seiso Local Municipality	-	-	-	153 009	-	-
RL25	Senkai Bulk Sewer Services	B	FS191	Seiso Local Municipality	-	-	-	98 444	-	-
BEP-RL12&18	Dihlabeng Bulk Water Supply Phase 3	B	FS192	Dihlabeng Local Municipality	-	-	-	50 000	139 000	60 000
Covid-19	Rietz Bulk Sewer Services	B	FS193	Nketoana Local Municipality	-	-	-	36 331	-	-
RL12	Nketoana Regional Water Supply	B	FS193	Nketoana Local Municipality	-	-	-	20 000	20 000	5 000
BEP	Argington Bulk Sewer Services	B	FS193	Nketoana Local Municipality	-	-	-	28 000	100 000	125 000
RS19	Maluti-a-Phofung BWS Phase 2	B	FS194	Nketoana Local Municipality	-	-	-	99 346	-	-
BEP	Petrus Steyn Bulk Sewer Services	B	FS194	Maluti-a-Phofung Local Municipality	-	-	-	40 000	60 000	-
RBIG-5b	Bulk sewer in Maluti-a-Phofung LM	B	FS195	Nketoana Local Municipality	-	-	-	52 796	-	-
Covid-19	Refurbishment of Pika-paseo WTWs	B	FS195	Maluti-a-Phofung Local Municipality	-	-	-	27 000	11 000	132 000
	Mansepa water and sanitation intervention	B	FS196	Mansepa Local Municipality	-	-	-	15 000	10 000	-
	Total: Thabo Mofutsanyana Municipalities				150 000	150 000	133 951	673 252	340 000	382 000
RL23	Ngwathe Bulk Water Supply (Parys)	B	FS203	Ngwathe Local Municipality	-	-	-	-	-	100 000
RBIG-5b	Ngwathe Bulk Water Supply Phase 2	B	FS203	Ngwathe Local Municipality	50 000	20 896	-	-	-	-
RS51	Upgrading of Dancysville WWTW	B	FS204	Metshabolohle Local Municipality	-	-	-	50 000	5 000	-
Covid-19	Marube water and sanitation intervention	B	FS204	Marube Local Municipality	-	-	-	15 000	15 000	-
RS26	Frankfort Bulk Sewer (Matlabe)	B	FS205	Matlabe Local Municipality	-	-	-	40 000	-	-
	Total: Fezile Dabi Municipalities				50 000	20 896	-	105 000	20 000	100 000
	Total: Free State Municipalities				204 407	223 896	233 951	945 817	724 899	757 447
GAUTENG										
RM02	Sedibeng Regional Waste Water Treatment Works	B	G1421	Emfuleni Local Municipality	-	-	-	69 410	116 279	108 705
RM05	Sebokeng Waste Water Treatment Works	B	G1421	Emfuleni Local Municipality	-	-	-	50 000	136 744	209 960
RS55	Vaal River System Intervention	B	G1421	Emfuleni Local Municipality	-	-	-	400 000	500 000	501 000
RL04	Rothdene pump station and rising main	B	G1422	Midvaal Local Municipality	-	-	-	10 000	-	-
	Meyerton Waste Water Treatment Works	B	G1422	Midvaal Local Municipality	-	-	-	50 000	30 000	-
	Total: Sedibeng Municipalities				-	-	-	579 410	783 023	819 665
RM06	Westonaria Regional Bulk Sanitation (Zaunbokom)	B	G1485	Rand West City Local Municipality	-	-	-	60 000	100 000	100 000
RS56	Mohlakeng pump station and sewer outfall	B	G1485	Rand West City Local Municipality	-	-	-	30 000	83 256	90 000
	Total: West Rand Municipalities				-	-	-	90 000	183 256	190 000
	Total: Gauteng Municipalities				-	-	-	669 410	966 279	1 009 665

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		National and Municipal Financial Year		National and Municipal Financial Year			
					2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)				
KWAZULU-NATAL														
RBIG-5b	Mandlakazi Bulk Water Supply	C	DC26 Zululand District Municipality	uPhongolo and Ngqoma Local Municipalities	15 247	30 000	50 000	-	-	-	-	-	-	
	Total: Zululand Municipalities				15 247	30 000	50 000	-	-	-	-	-	-	
RBIG-5b	Greater Mhlonjaneni Bulk Water Supply	C	DC28 King Ceshwayo District Municipality	Mhlonjaneni/ Nkandla Local Municipalities	175 563	290 312	253 065	-	-	-	-	-	-	
RBIG-5b	Middledrift (Nkandla) Regional Bulk Water Supply	C	DC28 King Ceshwayo District Municipality	Nkandla Local Municipality	40 000	50 000	60 000	-	-	-	-	-	-	
	Total: King Ceshwayo Municipalities				213 563	340 312	313 065	-	-	-	-	-	-	
RBIG-5b	Greater Bulwer Donnybrook Water Scheme	C	DC43 Harry Gwala District Municipality	Dr Nkossana Dlamini Zama and uBuhlebezwe Local Municipalities	-	25 000	50 000	-	-	-	-	-	-	
	Total: Sisonke Municipalities				-	25 000	50 000	-	-	-	-	-	-	
	Total: KwaZulu-Natal Municipalities				228 810	395 312	413 065	-	-	-	-	-	-	
LIMPOPO														
RL28	Giyani Bulk Water Supply Drought Relief	C	DC33 Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	65 000	180 000	200 000	-	-	-	
RM08	Giyani Water Services	C	DC33 Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	313 960	150 000	100 000	-	-	-	
RL29	Mameqa Schororo Bulk Water Supply	C	DC33 Mopani District Municipality	Mameng Local Municipality	-	-	-	38 896	71 595	69 383	-	-	-	
RS135	Bambanana Pipeline	C	DC33 Mopani District Municipality	Mameng Local Municipality	-	-	-	170 000	180 000	300 000	-	-	-	
	Total: Mopani Municipalities				-	-	-	587 856	581 595	609 383	-	-	-	
RL13	Sinthumule Kuruma Bulk Water Supply	C	DC34 Vhembe District Municipality	Makhado Local Municipality	-	-	-	50 000	50 000	50 000	-	-	-	
	Total: Vhembe Municipalities				-	-	-	50 000	50 000	50 000	-	-	-	
RBIG-5b	Polokwane Waste Water Treatment Works	B	LIM354 Polokwane Local Municipality	Polokwane Local Municipality	100 000	70 000	26 013	-	-	-	-	-	-	
RBIG-5b	Polokwane Bulk Water Supply	B	LIM354 Polokwane Local Municipality	Polokwane Local Municipality	54 584	50 597	100 000	-	-	-	-	-	-	
	Total: Capricorn Municipalities				154 584	120 597	126 013	-	-	-	-	-	-	
RM04	Mogalakwena Bulk Water Supply	B	LIM367 Mogalakwena Local Municipality	Mogalakwena Local Municipality	-	-	-	40 000	50 000	50 000	-	-	-	
	Total: Waterberg Municipalities				-	-	-	40 000	50 000	50 000	-	-	-	
RL14	Mouese Bulk Water Supply	C	DC47 Sekhukhune District Municipality	Ephraim Mogale/ Elias Mosekedi local municipalities	-	-	-	30 000	50 000	50 000	-	-	-	
RM12	Neto Bulk Water Supply	C	DC47 Sekhukhune District Municipality	Tubatse Local Municipality/ Mkhuthudumanga LM	-	-	-	40 000	50 000	50 000	-	-	-	
RM07	Mooibok/Tubatse Bulk Water Supply	C	DC47 Sekhukhune District Municipality	Tubatse Local Municipality	-	-	-	60 000	60 000	70 000	-	-	-	
	Total: Sekhukhune Municipalities				-	-	-	130 000	160 000	160 000	-	-	-	
	Total: Limpopo Municipalities				154 584	120 597	126 013	807 856	841 595	879 383	-	-	-	

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		
					2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
MPUMALANGA										
RBIG 5b	Empul/Methu/Amster Bulk Water Supply	B	MP301 Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	70 000	80 000	150 000	-	-	-
RBIG 5b	Erensheide/Ekintini Bulk Water Supply	B	MP301 Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	95 142	90 000	20 000	-	-	-
RBIG 5b	Amsterdam and Steppene Bulk Water Scheme	B	MP302 Mtsakeng Local Municipality	Mkhondo and Mtsakeng Local Municipality	-	-	-	40 000	70 000	90 000
RBIG 5b	Msakaligwa regional water supply scheme (Phase 1)	B	MP302 Mtsakeng Local Municipality	Msakaligwa Local Municipality	175 000	76 000	100 000	-	-	-
RBIG 5b	Lekwa Water Services	B	MP305 Lekwa Local Municipality	Lekwa Local Municipality	-	-	-	40 000	50 000	70 000
RBIG 5b	Balf/Syat/Grey/Willem/Nhor Bulk Water Supply	B	MP306 Dpaleseng Local Municipality	Dpaleseng Local Municipality	-	-	-	50 000	50 000	-
RBIG 5b	Embalenhe Bulk Sewer and WWTW's refurbishment & upgrading	B	MP307 Govan Mbeki Local Municipality	Govan Mbeki Local Municipality	-	-	-	10 000	40 000	70 000
			Total: Gert Sibande Municipalities		340 142	246 000	270 000	140 000	210 000	230 000
RBIG 5b	Steve Tshwete Water Services	B	MP313 Steve Tshwete Local Municipality	Steve Tshwete Local Municipality	145 000	70 000	45 000	-	-	-
RL35	Thembsile Water Scheme (Loskop)	B	MP315 Thembsile Hani Local Municipality	Thembsile Hani Local Municipality	-	-	-	140 000	150 000	150 000
RL36	Western Highveld (Rust de Winter) Bulk Water Scheme	B	MP316 Dr. IS Moseka Local Municipality	Thembsile Hani and Dr IS Moseka Local Municipality	-	-	-	5 000	13 721	31 399
			Total: Nkangala Municipalities		145 000	70 000	45 000	145 000	163 721	181 399
RS37	Driskopies Upgrading	B	MP324 Nkomazi Local Municipality	Nkomazi Local Municipality	200 000	70 000	-	10 696	10 000	-
RS30	Stonge Bulk Water Supply	B	MP324 Nkomazi Local Municipality	Nkomazi Local Municipality	10 000	89 793	145 000	30 000	10 000	-
RL17	Northern Nkazi Bulk Water Supply	B	MP326 City of Mbombela	City of Mbombela	2 000	30 000	-	-	-	-
			Thaba Chweu	Thaba Chweu	212 000	189 793	213 508	79 696	20 000	-
			Total: Ehlanzeni Municipalities		697 142	505 793	528 508	364 696	393 721	411 399
NORTHERN CAPE										
BEP	Calvina Bulk Water Supply	B	NC065 Hanam Local Municipality	Hanam Local Municipality	50 000	67 772	-	-	1 814	-
	Griekwasad Campbell	B	NC078 Svanema Local Municipality	Svanema Local Municipality	-	-	-	-	1 814	-
			Total: Pixley ka Seme Municipalities		50 000	67 772	-	-	3 628	-
RS28	Postmasburg WWTW and bulk sewer	B	NC085 Tsamshane Local Municipality	Tsamshane Local Municipality	85 102	80 000	40 000	-	-	-
	Postmasburg Bulk Water Supply	B	NC085 Tsamshane Local Municipality	Tsamshane Local Municipality	-	-	95 345	-	-	-
	Uphlogon Wasterwater treatment works	B	NC087 David Kruger Local Municipality	David Kruger Local Municipality	-	-	-	54 643	54 542	56 991
			Total: Z. F. Mgeawu Municipalities		85 102	80 000	135 345	54 643	54 542	56 991
RBIG 5b	Kathu Bulk Water Supply	B	NC453 Gamaagara Local Municipality	Gamaagara Local Municipality	-	20 037	40 000	-	-	-
			Total: John Leo Gaelewe Municipalities		-	20 037	40 000	-	-	-
			Total: Northern Cape Municipalities		135 102	167 809	175 345	56 457	54 542	56 991

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		
					2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
NORTH WEST										
RL15	Moretele South Bulk Water Supply (Klipdrif)	B	NW371 Moretele Local Municipality	Moretele Local Municipality	-	-	-	30 000	30 338	23 737
RL09	Madibeng Bulk Water Supply (Brits)	B	NW372 Madibeng Local Municipality	Madibeng Local Municipality	-	-	-	105 608	134 887	145 000
RS57	Koster Waste Water Treatment Works upgrade	B	NW374 Kgetlengriver Local Municipality	Kgetlengriver Local Municipality	-	-	-	-	-	-
			Total: Eriyabana Partnership Municipalities		-	-	-	135 608	165 225	168 737
RS32	Ratou Bulk Water Supply	C	DC38 Ngaka Modiri Molema Local Municipality	Ratou Local Municipality	-	-	-	34 328	30 000	30 000
RL33	Matikeng South Bulk Water Supply	C	DC38 Ngaka Modiri Molema Local Municipality	Matikeng Local Municipality	-	-	-	30 000	30 000	30 000
			Total: Ngaka Modiri Molema Municipalities		-	-	-	64 328	60 000	60 000
RBIG 5b	Taung/ Naledi Bulk Water Supply (phase 1 to 3)	C	DC39 Dr Ruth Segomotsi Mompati District Municipality	Greater Taung/ Naledi Local Municipalities	148 391	162 684	28 911	-	-	-
RBIG 5b	Greater Mamusa Bulk Water Supply (phase 1 to 4)	C	DC39 Dr Ruth Segomotsi Mompati District Municipality	Greater Mamusa Local Municipality	106 190	179 012	280 000	-	-	-
RBIG 5b	Kagisano Molapo Bulk Water Supply	C	DC40 Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molapo Local Municipality	145 000	145 342	200 000	-	-	-
			Total: Dr Ruth Segomotsi Mompati Municipalities		399 581	487 038	508 911	40 000	31 964	40 000
RS35	Potchedstroom Waste Water Treatment Works upgrade (Tlokeve) Phase 1 to 2	B	NW405 JB Marks Local Municipality	JB Marks Local Municipality	-	-	-	40 000	31 964	40 000
			Total: Dr Kenneth Kaunda Municipalities		-	-	-	40 000	31 964	40 000
			Total: North West Municipalities		399 581	487 038	508 911	239 936	257 189	268 737
WESTERN CAPE										
RS132	Klawer Bulk Water	B	WC011 Matzikama Local Municipality	Matzikama Local Municipality	10 000	-	-	-	-	-
RS134	Glanwilliam/Lambertsbaai Regional Water Supply and Desalination	B	WC014 Cederberg Local Municipality	Cederberg Local Municipality	-	-	-	15 197	15 153	15 867
			Total: West Coast Municipalities		10 000	-	-	15 197	15 153	15 867
RBIG 5b	Tullaghan Bulk Water Supply	B	WC022 Witzenberg Local Municipality	Witzenberg Local Municipality	19 239	-	-	-	-	-
			Total: Cape Winelands Municipalities		19 239	-	-	-	-	-
BFI	Portable Water Security and Remedial Works	B	WC044 George Local Municipality	George Local Municipality	240 648	510 838	274 626	-	-	-
			Total: Overberg Municipalities		240 648	510 838	274 626	-	-	-
			Total: Western Cape Municipalities		269 887	510 838	274 626	15 197	15 153	15 867
National Total					2 621 420	2 892 152	2 762 863	3 455 050	3 607 527	3 769 330

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		
	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
Early Childhood Development Grant			
Eastern Cape	199 668	199 728	208 697
Free State	65 282	56 438	58 973
Gauteng	232 715	238 615	249 330
KwaZulu-Natal	187 203	182 053	190 228
Limpopo	184 858	178 275	186 282
Mpumalanga	99 860	91 322	95 424
Northern Cape	23 126	20 007	20 906
North West	104 104	106 484	111 266
Western Cape	95 866	87 958	91 908
Unallocated	-	81 607	85 272
Total	1 192 682	1 242 487	1 298 286
<i>of which:</i>			
Maintenance Component			
Eastern Cape	9 975	2 111	2 206
Free State	13 115	2 203	2 302
Gauteng	5 485	1 744	1 822
KwaZulu-Natal	15 505	3 230	3 375
Limpopo	17 568	4 023	4 204
Mpumalanga	14 186	2 111	2 206
Northern Cape	5 305	1 497	1 564
North West	3 388	1 563	1 633
Western Cape	13 330	1 920	2 006
Unallocated	-	81 607	85 272
Total: Maintenance Component	97 857	102 009	106 590
Subsidy Component			
Eastern Cape	189 693	197 617	206 491
Free State	52 167	54 235	56 671
Gauteng	227 230	236 871	247 508
KwaZulu-Natal	171 698	178 823	186 853
Limpopo	167 290	174 252	182 078
Mpumalanga	85 674	89 211	93 218
Northern Cape	17 821	18 510	19 342
North West	100 716	104 921	109 633
Western Cape	82 536	86 038	89 902
Total: Subsidy Component	1 094 825	1 140 478	1 191 696

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		
	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
Province /Components			
District Health Programmes Grant			
Eastern Cape	3 221 279	2 963 416	3 096 501
Free State	1 724 306	1 611 598	1 683 974
Gauteng	6 295 969	5 793 999	6 054 204
KwaZulu-Natal	7 547 069	7 087 769	7 406 077
Limpopo	2 621 492	2 388 635	2 495 907
Mpumalanga	2 638 302	2 469 999	2 580 926
Northern Cape	767 729	716 737	748 927
North West	1 938 678	1 784 563	1 864 707
Western Cape	2 268 294	2 049 145	2 141 171
Total	29 023 118	26 865 861	28 072 394
<i>of which:</i>			
Comprehensive HIV/AIDS Component			
Eastern Cape	2 762 848	2 743 167	2 866 361
Free State	1 479 325	1 464 097	1 529 849
Gauteng	5 300 707	5 259 071	5 495 253
KwaZulu-Natal	6 512 334	6 448 252	6 737 840
Limpopo	1 935 362	1 924 794	2 011 235
Mpumalanga	2 145 175	2 139 426	2 235 506
Northern Cape	621 337	612 731	640 250
North West	1 524 570	1 511 685	1 579 574
Western Cape	1 852 863	1 831 381	1 913 627
Total	24 134 521	23 934 604	25 009 495
District Health Component			
Eastern Cape	458 431	220 249	230 140
Free State	244 981	147 501	154 125
Gauteng	995 262	534 928	558 951
KwaZulu-Natal	1 034 735	639 517	668 237
Limpopo	686 130	463 841	484 672
Mpumalanga	493 127	330 573	345 420
Northern Cape	146 392	104 006	108 677
North West	414 108	272 878	285 133
Western Cape	415 431	217 764	227 544
Total	4 888 597	2 931 257	3 062 899

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		
	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
Province /Components			
Human Resources and Training Grant			
Eastern Cape	578 756	567 733	556 604
Free State	264 004	284 312	276 594
Gauteng	1 872 229	1 879 548	1 825 127
KwaZulu-Natal	754 850	764 447	747 841
Limpopo	372 699	375 318	353 623
Mpumalanga	274 266	276 739	267 298
Northern Cape	155 608	145 748	145 443
North West	277 212	271 800	262 601
Western Cape	899 442	887 123	903 926
Unallocated	-	26 255	27 460
Total	5 449 066	5 479 023	5 366 517
<i>of which:</i>			
Statutory Human Resources Component			
Eastern Cape	311 721	312 276	289 677
Free State	129 247	133 378	118 883
Gauteng	867 139	897 055	798 520
KwaZulu-Natal	413 010	425 356	393 525
Limpopo	221 457	232 377	204 264
Mpumalanga	149 493	154 778	139 861
Northern Cape	47 843	49 454	44 825
North West	136 937	142 227	127 210
Western Cape	356 963	369 008	362 548
Unallocated	-	-	-
Total	2 633 810	2 715 909	2 479 313
Training Component			
Eastern Cape	267 035	255 457	266 927
Free State	134 757	150 934	157 711
Gauteng	1 005 090	982 493	1 026 607
KwaZulu-Natal	341 840	339 091	354 316
Limpopo	151 242	142 941	149 359
Mpumalanga	124 773	121 961	127 437
Northern Cape	107 765	96 294	100 618
North West	140 275	129 573	135 391
Western Cape	542 479	518 115	541 378
Unallocated	-	26 255	27 460
Total	2 815 256	2 763 114	2 887 204

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

Expanded Public Works Programme Integrated Grant for Provinces				
Province / Provincial Department	FTE Target for 2022/23	National Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
EASTERN CAPE				
Cooperative Governance and Traditional Affairs	68	2 284		
Economic Development, Environmental Affairs and Tourism	180	2 823		
Education	416	3 491		
Health	165	1 906		
Human Settlements	571	2 987		
Public Works	894	13 502		
Rural Development and Agrarian Reform	26	2 106		
Social Development	26	1 900		
Sport, Recreation, Arts and Culture	57	2 155		
Transport	16 156	73 305		
Total: Eastern Cape	18 559	106 459	-	-
FREE STATE				
Agriculture and Rural Development	196	2 110		
Economic Development and Small Business Development, Tourism and Environmental Affairs	387	2 182		
Education	192	2 374		
Human Settlements	319	2 209		
Police, Roads and Transport	1 968	3 779		
Public Works and Infrastructure	350	6 183		
Sport, Arts, Culture and Recreation	39	2 106		
Total: Free State	3 452	20 943	-	-
GAUTENG				
Agriculture and Rural Development	434	3 355		
Cooperative Governance and Traditional Affairs	88	2 106		
Infrastructure Development	1 955	6 768		
Education	383	2 733		
Health	245	2 360		
Human Settlements	1 505	10 926		
Roads and Transport	1 968	9 857		
Social Development	26	2 000		
Total: Gauteng	6 605	40 105	-	-
KWAZULU-NATAL				
Agriculture and Rural Development	549	4 610		
Arts, Culture and Tourism	468	2 108		
Co-Operative Governance and Traditional Affairs	139	1 993		
Economic Development, Tourism and Environmental Affairs	2 315	6 402		
Education	535	2 193		
Health	327	11 736		
Human Settlements	943	6 499		
Public Works	1 661	8 042		
Transport	18 849	68 283		
Total: KwaZulu-Natal	25 787	111 866	-	-
LIMPOPO				
Agriculture and Rural Development	1 646	10 361		
Economic Development, Environment and Tourism	438	2 146		
Education	343	2 702		
Health	131	2 978		
Public Works, Roads and Infrastructure	159	12 311		
Social Development	32	2 570		
Sport, Arts and Culture	100	2 106		
Transport and Community Safety	2 755	2 106		
Total: Limpopo	5 603	37 280	-	-
MPUMALANGA				
Agriculture, Rural Development, Land and Environmental Affairs	798	4 734		
Co-Operative Governance and Traditional Affairs	131	2 563		
Culture, Sport and Recreation	77	2 279		
Economic Development and Tourism	466	4 599		
Education	218	2 278		
Human Settlements	378	2 000		
Public Works, Roads and Transport	3 935	7 038		
Total: Mpumalanga	6 003	25 491	-	-
NORTHERN CAPE				
Agriculture, Land Reform and Rural Development	906	3 872		
Cooperative Governance, Human Settlements and Traditional Affairs	138	2 106		
Economic Development and Tourism	82	1 900		
Education	134	2 362		
Roads and Public Works	53	4 187		
Sports, Arts and Culture	27	1 994		
Total: Northern Cape	1 341	16 421	-	-

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 2022/23	National Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
NORTH WEST				
Agriculture and Rural Development	934	3 401		
Arts, Culture, Sport and Recreation	98	2 106		
Cooperative Governance, Human Settlements and Traditional Affairs	630	2 186		
Education	269	2 204		
Economic Development, Environment, Conversation and Tourism	30	2 393		
Health	145	2 000		
Public Works and Roads	362	27 949		
Social Development	27	2 155		
Total: North West	2 494	44 394	-	-
WESTERN CAPE				
Agriculture	150	2 174		
Cultural Affairs and Sport	364	3 099		
Education	274	1 941		
Environmental Affairs and Development Planning	597	4 468		
Health	173	2 106		
Human Settlements	604	2 978		
Transport and Public Works	2 755	13 373		
Total: Western Cape	4 916	30 139	-	-
Unallocated	-	-	434 762	454 287
Grand Total	74 759	433 098	434 762	454 287

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 2022/23	National Financial Year		
		2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
EASTERN CAPE				
Education	929	40 050		
Health	284	12 268		
Safety and Liaison	33	1 414		
Social Development	341	14 718		
Total: Eastern Cape	1 587	68 450	-	-
FREE STATE				
Education	166	7 139		
Health	252	10 884		
Social Development	511	22 034		
Total: Free State	929	40 057	-	-
GAUTENG				
Community Safety	109	4 706		
Education	177	7 615		
Health	417	17 980		
Social Development	509	21 948		
Total: Gauteng	1 212	52 249	-	-
KWAZULU-NATAL				
Community Safety and Liaison	71	3 046		
Education	707	30 508		
Health	610	26 293		
Social Development	874	37 672		
Sport and Recreation	53	2 280		
Total: KwaZulu-Natal	2 314	99 799	-	-
LIMPOPO				
Education	426	18 354		
Health	785	33 847		
Social Development	182	7 865		
Total: Limpopo	1 393	60 066	-	-
MPUMALANGA				
Community Safety, Security and Liaison	47	2 038		
Culture, Sport and Recreation	38	1 631		
Education	66	2 867		
Health	305	13 140		
Social Development	137	5 894		
Total: Mpumalanga	593	25 570	-	-
NORTHERN CAPE				
Education	96	4 142		
Health	133	5 718		
Social Development	111	4 773		
Transport, Safety and Liaison	35	1 509		
Total: Northern Cape	374	16 142	-	-
NORTH WEST				
Community Safety and Transport Management	38	1 638		
Education	108	4 642		
Health	354	15 267		
Social Development	121	5 223		
Total: North West	621	26 770	-	-
WESTERN CAPE				
Community Safety	89	3 821		
Cultural Affairs and Sport	100	4 333		
Education	286	12 322		
Health	239	10 291		
Social Development	115	4 978		
Total: Western Cape	829	35 745	-	-
Unallocated	-	-	426 480	445 633
Grand Total	9 852	424 848	426 480	445 633

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		
	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
Province			
Schools Infrastructure Backlogs Grant			
Eastern Cape	896 697	-	-
Free State	101 897	-	-
Gauteng	-	-	-
KwaZulu-Natal	509 487	-	-
Limpopo	407 590	-	-
Mpumalanga	101 897	-	-
Northern Cape	-	-	-
North West	20 379	-	-
Western Cape	-	-	-
Unallocated	365 171	2 078 506	2 171 849
Total	2 403 119	2 078 506	2 171 849

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		
	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
Province /Components			
National Health Insurance Indirect Grant			
Eastern Cape	559 904	682 132	450 681
Free State	163 074	172 845	136 603
Gauteng	137 135	109 206	97 356
KwaZulu-Natal	68 296	69 052	72 594
Limpopo	523 231	658 364	436 023
Mpumalanga	278 091	299 702	214 836
Northern Cape	68 296	69 052	72 594
North West	257 429	253 350	186 251
Western Cape	68 295	69 052	72 594
Unallocated	85 357	88 520	103 372
Total	2 209 108	2 471 275	1 842 903
<i>of which:</i>			
Health Facility Revitalisation Component			
Eastern Cape	491 608	613 080	378 087
Free State	94 778	103 793	64 009
Gauteng	68 839	40 155	24 764
KwaZulu-Natal	-	-	-
Limpopo	454 936	589 312	363 430
Mpumalanga	209 796	230 650	142 242
Northern Cape	-	-	-
North West	189 134	184 298	113 657
Western Cape	-	-	-
Unallocated	-	-	-
Total	1 509 091	1 761 288	1 086 189
Personal Services Component			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated	85 357	88 520	103 372
Total	85 357	88 520	103 372
Non-Personal Services Component			
Eastern Cape	68 296	69 052	72 594
Free State	68 296	69 052	72 594
Gauteng	68 296	69 051	72 593
KwaZulu-Natal	68 296	69 052	72 594
Limpopo	68 295	69 052	72 594
Mpumalanga	68 295	69 052	72 594
Northern Cape	68 296	69 052	72 594
North West	68 295	69 052	72 594
Western Cape	68 295	69 052	72 594
Unallocated	-	-	-
Total	614 660	621 467	653 342

APPENDIX W13

**APPENDIX TO SCHEDULE 4, PART A AND SCHEDULE 5, PART A: BREAKDOWN OF RING-FENCED DISASTER FUNDING:
PER PROVINCE PER GRANT**

(National Financial Years)

APPENDIX W13

APPENDIX TO SCHEDULE 4, PART A AND SCHEDULE 5, PART A: BREAKDOWN OF RING-FENCED
DISASTER FUNDING: PER PROVINCE PER GRANT

Province / Grant Name	Ring-Fenced Disaster Allocations		
	National Financial Year		
	2022/23 (R'000)	2023/24 (R'000)	2024/25 (R'000)
Comprehensive Agricultural Support Programme Grant			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Total	-	-	-
Education Infrastructure Grant			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	144 783	325 762	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Total	144 783	325 762	-
Health Facility Revitalisation Grant			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Total	-	-	-
Human Settlements Development Grant			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	397 705	474 974	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Total	397 705	474 974	-
Provincial Roads Maintenance Grant			
Eastern Cape	-	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	490 025	293 531	-
Limpopo	-	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Total	490 025	293 531	-