
GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

NATIONAL TREASURY

NO. 247

22 MARCH 2017

STOPPING AND RE-ALLOCATION OF TRANSFERS FOR MUNICIPAL GRANTS IN TERMS OF THE DIVISION OF REVENUE ACT, 2016 (ACT No. 3 OF 2016), AS AMENDED BY THE DIVISION OF REVENUE AMENDMENT ACT, 2016 (ACT No. 11 OF 2016)

I, Pravin Gordhan, Minister of Finance, acting in terms of section 16(2) and 26(2) of the Division of Revenue Act, 2016 (Act No. 3 of 2016), as amended by the Division of Revenue Amendment Act, 2016 (Act No. 11 of 2016), hereby publish in the attached Explanatory Memorandum and Schedules:

- (a) The re-allocation of stopped conditional allocations between municipalities in terms of section 19 and 20 of the Division of Revenue Act, 2016, as amended; and
- (b) Technical adjustments on conditional allocations to municipalities.

For ease of reference only and where applicable, the attached Schedules reflect the main allocations, adjustments and total adjusted allocations.

**NALEDI PANDOR, MP****ACTING MINISTER OF FINANCE**

Explanatory Memorandum to the Allocations set out in the attached schedule

This *Gazette* is published in terms of the Division of Revenue Act, 2016 (Act No. 3 of 2016), as amended by the Division of Revenue Amendment Act, 2016 (Act No. 11 of 2016) and provides information regarding the adjustment of allocations to municipalities in the 2016/17 national financial year.

This is necessitated by the need for the stopping and re-allocation of funds in terms of Section 19 and 20 of the Division of Revenue Act (DoRA), 2016, as amended.

LOCAL GOVERNMENT***Stopping and re-allocation of funds between municipalities***

1. Section 19 of DoRA stipulates that National Treasury may in its discretion or at the request of a transferring officer stop transfers listed in schedules 4 and 5 pertaining to anticipated under-spending on programmes or allocations in the financial year by the municipality.
2. Following the letters sent to the affected municipalities, the Department of Cooperative Governance (DCoG) had engagements with some of the municipalities with respect to their current expenditure for Municipal Infrastructure Grant (MIG), in order to evaluate whether municipalities will be able to spend their entire transferred funds by the end of their financial year. DCoG had meetings with municipalities that reported expenditure of less than 40 per cent as at the end of 31 December 2016.
3. During the month of January 2017, the National Treasury further conducted an analysis of MIG performance. The quarterly publication (Section 71 of MFMA) for the second quarter ending 31 December 2016 to be published by the National Treasury and the monthly DoRA reports (Section 9 and 10 of 2016 DoRA) from the transferring officers were used as a benchmark in deciding on the list of municipalities which were underperforming.
4. Letters dated 15 February 2017 signed by the Deputy Director-General: Intergovernmental Relations were sent to municipalities in terms of Section 19 of DoRA 2016 informing them of the intention to stop a portion of their allocated MIG.
5. Municipalities were afforded an opportunity to respond within seven days on this decision upon receipt of the letter and to explain why their grant funding should not be stopped.
6. In light of the responses received from the municipalities and recommendations from DCoG, the National Treasury decided that Section 19 (stopping of the allocation) and 20 (reallocation of the allocation) of 2016 DoRA will be invoked against slow spending municipalities and reallocate to fast spending municipalities.
7. The National Treasury will therefore consider the possibility of supporting municipalities that did not fully spend their additional MIG allocation by the end of the 2016/17 municipal financial year through the roll-over process.

Correction of an error

8. Ezingoleni Local Municipality (LM) and Ditsobotla Local Municipality (LM) had their 2015/16 MIG allocations of R2.4 and R20 million respectively which were not transferred, because their payments were erroneously omitted. The payments could not be processed because of the year end of the national financial year.
9. Therefore, the 2016/17 MIG allocation will be increased with the equivalent amount for the affected municipalities in order correct the error and also assist the municipalities to honor the commitments made against these funds from their previous year.

10. Note that the R2.4 million for Ezingoleni LM will be transferred against a newly established municipality, Ray Nkonyeni LM formed on 10 August 2016, following the amalgamation of Ezingoleni LM and Hibiscus Coast LM.

ANNEXURE 1

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES

(National and Municipal Financial Years)

Schedule 5B
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 7)		Municipal Infrastructure Grant			
		Column A	Column B		Column C
		2016/17	Roll-overs	Adjustments	2016/17
		Main allocation			Adjusted allocation
		R'000	R'000	R'000	R'000
EASTERN CAPE					
A	BUF Buffalo City				
A	NMA Nelson Mandela Bay				
B	EC101 Dr Beyers Naude	37 623			37 623
B	EC102 Blue Crane Route	13 666			13 666
B	EC104 Makana				
B	EC105 Ndlambe	26 054		12 000	38 054
B	EC106 Sundays River Valley	24 446		(2 735)	21 711
B	EC108 Kouga	30 326		7 000	37 326
B	EC109 Koukamma	14 694		(3 000)	11 694
C	DC10 Sarah Baartman District Municipality	36 288			36 288
Total: Cacadu Municipalities		183 097		13 265	196 362
B	EC121 Mbhashe	55 745		10 000	65 745
B	EC122 Mquma	59 727			59 727
B	EC123 Great Kei	12 072			12 072
B	EC124 Amahlathi	30 147		(7 000)	23 147
B	EC126 Ngqushwa	21 854		(2 379)	19 475
B	EC129 Raymond Mhlaba	39 969			39 969
C	DC12 Amatole District Municipality	412 736		35 000	447 736
Total: Amatole Municipalities		632 250		35 621	667 871
B	EC131 Inxuba Yethemba	15 369		8 000	23 369
B	EC134 Intsika Yethu	39 895			39 895
B	EC136 Emalahleni	31 758		(7 000)	24 758
B	EC137 Engcobo	50 431		(4 000)	46 431
B	EC137 Sakhisizwe	17 539		(3 000)	14 539
B	EC139 Enoch Mgijima	56 668			56 668
C	DC13 Chris Hani District Municipality	271 423			271 423
Total: Chris Hani Municipalities		483 083		(6 000)	477 083
B	EC141 Elundini	37 250		5 000	42 250
B	EC142 Senqu	36 728			36 728
B	EC145 Walter Sisulu	21 552		6 000	27 552
C	DC14 Joe Gqabi District Municipality	151 602			151 602
Total: Ukhahlamba Municipalities		247 132		11 000	258 132
B	EC153 Nquza Hills	52 025			52 025
B	EC154 Port St Johns	32 781		4 000	36 781
B	EC155 Nyandeni	58 050			58 050
B	EC156 Mhlontlo	41 660		15 000	56 660
B	EC157 King Sabata Dalindyebo	82 213		15 000	97 213
C	DC15 O.R. Tambo District Municipality	609 099		(90 000)	519 099
Total: O.R. Tambo Municipalities		875 828		(56 000)	819 828
B	EC441 Matatiele	47 012			47 012
B	EC442 Umzimvubu	44 261		7 735	51 996
B	EC443 Mbizana	46 159			46 159
B	EC444 Ntabankulu	35 960			35 960
C	DC44 Alfred Nzo District Municipality	361 497			361 497
Total: Alfred Nzo Municipalities		534 889		7 735	542 624
Total: Eastern Cape Municipalities		2 956 279		5 621	2 961 900

**Schedule 5B
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES**

National Treasury (Vote 7)	Municipal Infrastructure Grant			
	Column A	Column B		Column C
	2016/17 Main allocation	Roll-overs	Adjustments	2016/17 Adjusted allocation
FREE STATE				
A MANG Mangaung				
B FS161 Letsemeng	16 635		4 000	20 635
B FS162 Kopanong	19 977			19 977
B FS163 Mohokare	28 429			28 429
C DC16 Xhariep District Municipality				
Total: Xhariep Municipalities	65 041		4 000	69 041
B FS181 Masilonyana	22 500		(11 746)	10 754
B FS182 Tokologo	25 798			25 798
B FS183 Tswelopele	15 736			15 736
B FS184 Matjhabeng	113 363			113 363
B FS185 Nala	28 299		10 000	38 299
C DC18 Lejweleputswa District Municipality				
Total: Lejweleputswa Municipalities	205 696		(1 746)	203 950
B FS191 Setsoto	45 091		4 000	49 091
B FS192 Dihlabeng	36 892			36 892
B FS193 Nketoana	24 218		2 500	26 718
B FS194 Maluti a Phofung	154 870			154 870
B FS195 Phumelela	20 090			20 090
B FS173 Mantsopa	19 061			19 061
C DC19 Thabo Mofutsanyana District Municipality				
Total: Thabo Mofutsanyana Municipalities	300 222		6 500	306 722
B FS201 Moqhaka	38 349			38 349
B FS203 Ngwathe	40 070		12 000	52 070
B FS204 Metsimaholo	42 623		15 000	57 623
B FS205 Mafube	21 422		(21 422)	
C DC20 Fezile Dabi District Municipality				
Total: Fezile Dabi Municipalities	142 464		5 578	148 042
Total: Free State Municipalities	713 423		14 332	727 755
GAUTENG				
A EKU Ekurhuleni				
A JHB City of Johannesburg				
A TSH City of Tshwane				
B GT421 Emfuleni	160 763			160 763
B GT422 Midvaal	30 339			30 339
B GT423 Lesedi	25 204		(3 800)	21 404
C DC42 Sedibeng District Municipality				
Total: Sedibeng Municipalities	216 306		(3 800)	212 506
B GT481 Mogale City	97 514		(4 000)	93 514
B GT483 Merafong City	55 283			55 283
B GT485 Rand West City	87 498			87 498
C DC48 West Rand District Municipality				
Total: West Rand Municipalities	240 295		(4 000)	236 295
Total: Gauteng Municipalities	456 601		(7 800)	448 801

Schedule 5B
SPECIFIC PURPOSE GRANT ALLOCATIONS TO MUNICIPALITIES

National Treasury (Vote 7)	Municipal Infrastructure Grant			
	Column A	Column B		Column C
	2016/17 Main allocation	Roll-overs	Adjustments	2016/17 Adjusted allocation
KWAZULU-NATAL				
A ETH eThekweni				
B KZN212 uMdoni	35 870			35 870
B KZN213 uMzumbi	32 622		3 000	35 622
B KZN214 uMuziwabantu	22 275			22 275
B KZN216 Ray Nkonyeni	60 156		2 400	62 556
C DC21 Ugu District Municipality	233 873			233 873
Total: Ugu Municipalities	384 796		5 400	390 196
B KZN221 uMshwathi	26 329		2 500	28 829
B KZN222 uMngeni	21 866		(6 000)	15 866
B KZN223 Mpoofana	11 680			11 680
B KZN224 uMpendle	11 382		5 000	16 382
B KZN225 Msunduzi	190 617			190 617
B KZN226 Mkhambathini	15 626		(1 700)	13 926
B KZN227 Richmond	32 659		(6 659)	26 000
C DC22 uMgungundlovu District Municipality	99 630		10 000	109 630
Total: Umgungundlovu Municipalities	409 789		3 141	412 930
B KZN235 Okhahlamba	27 014			27 014
B KZN237 iNkosi Langalibalele	38 547			38 547
B KZN238 Alfred Duma	60 353		10 000	70 353
C DC23 uThukela District Municipality	178 506			178 506
Total: Uthukela Municipalities	304 420		10 000	314 420
B KZN241 eNdumeni	14 517		(1 300)	13 217
B KZN242 Nqutu	29 778			29 778
B KZN244 uMsinga	35 800		3 500	39 300
B KZN245 uMyoti	26 311		(6 311)	20 000
C DC24 uMzinyathi District Municipality	181 064			181 064
Total: Umzinyathi Municipalities	287 470		(4 111)	283 359
B KZN252 Newcastle	109 214			109 214
B KZN253 eMadlangeni	8 913		2 200	11 113
B KZN254 Damnhouser	20 698			20 698
C DC25 Amajuba District Municipality	39 577			39 577
Total: Amajuba Municipalities	178 402		2 200	180 602
B KZN261 eDumbe	17 221			17 221
B KZN262 uPhongolo	42 136			42 136
B KZN263 Abaqulusi	35 078		(5 000)	30 078
B KZN265 Nongoma	30 417			30 417
B KZN266 Ulundi	29 492			29 492
C DC26 Zululand District Municipality	218 314		10 000	228 314
Total: Zululand Municipalities	372 658		5 000	377 658
B KZN271 uMhlabuyalingana	33 325		3 500	36 825
B KZN272 Jozini	35 689			35 689
B KZN275 Mtubatuba	30 303			30 303
B KZN276 Big Five Hlabisa	23 800			23 800
C DC27 uMkhanyakude District Municipality	207 522			207 522
Total: Umkhanyakude Municipalities	330 639		3 500	334 139
B KZN281 uMfolozi	24 049			24 049
B KZN282 uMhlathuze	99 817			99 817
B KZN284 uMlalazi	38 539		(3 000)	35 539
B KZN285 Mthonjaneni	18 899		10 000	28 899
B KZN286 Nkandla	21 795			21 795
C DC28 King Cetshwayo District Municipality	165 170			165 170
Total: Uthungulu Municipalities	368 269		7 000	375 269
B KZN291 Mandeni	33 757		(8 000)	25 757
B KZN292 KwaDukuza	49 330		12 000	61 330
B KZN293 Ndwedwe	28 451		(4 500)	23 951
B KZN294 Maphumulo	21 301			21 301
C DC29 iLembe District Municipality	186 984			186 984
Total: iLembe Municipalities	319 823		(500)	319 323
B KZN433 Greater Kokstad	31 525		(10 000)	21 525
B KZN434 uBuhlebezwe	24 057			24 057
B KZN435 uMzimkhulu	41 399			41 399
B KZN436 Dr Nkosazana Dlamini Zuma	29 513			29 513
C DC43 Harry Gwala District Municipality	191 067			191 067
Total: Harry Gwala Municipalities	317 561		(10 000)	307 561
Total: KwaZulu-Natal Municipalities	3 273 827		21 630	3 295 457

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National Treasury (Vote 7)	Municipal Infrastructure Grant			
	Column A	Column B		Column C
	2016/17 Main allocation	Roll-overs	Adjustments	2016/17 Adjusted allocation
LIMPOPO				
B LIM331 Greater Giyani	57 902		30 000	87 902
B LIM332 Greater Letaba	54 976			54 976
B LIM333 Greater Tzaneen	89 797		65 000	154 797
B LIM334 Ba-Phalaborwa	30 568			30 568
B LIM335 Maruleng	25 418		4 000	29 418
C DC35 Mopani District Municipality	438 907		(230 407)	208 500
Total: Mopani Municipalities	697 568		(131 407)	566 161
B LIM341 LIM341	35 814			35 814
B LIM343 LIM343	94 661			94 661
B LIM344 Makhado	85 346		(20 000)	65 346
B LIM345 LIM345	88 177			88 177
C DC34 Vhembe District Municipality	497 287			497 287
Total: Vhembe Municipalities	801 285		(20 000)	781 285
B LIM351 Blouberg	44 381			44 381
B LIM353 Molomole	42 642			42 642
B LIM354 Polokwane	299 943			299 943
B LIM355 Lepete-Nkumpi	51 466		(14 364)	37 102
C DC35 Capricorn District Municipality	243 872		30 000	273 872
Total: Capricorn Municipalities	682 304		15 636	697 940
B LIM361 Thabazimbi				
B LIM362 Lephahle	36 355			36 355
B LIM366 Bela-Bela	22 571		15 000	37 571
B LIM367 Mogalakwena	139 486			139 486
B LIM368 LIM368	36 255			36 255
C DC36 Waterberg District Municipality	28 714			28 714
Total: Waterberg Municipalities	263 381		15 000	278 381
B LIM471 Ephraim Mogale	31 917		(2 604)	29 313
B LIM472 Elias Motosoaledi	52 419		20 000	72 419
B LIM473 Makhuduthamaga	59 210		28 000	87 210
B LIM476 LIM476	80 885		30 000	110 885
C DC47 Sekhukhune District Municipality	457 984		(126 800)	331 184
Total: Greater Sekhukhune Municipalities	682 415		(51 404)	631 011
Total: Limpopo Municipalities	3 126 953		(172 175)	2 954 778
MPUMALANGA				
B MP301 Albert Luthuli	90 197			90 197
B MP302 Msukaligwa	60 442		(21 950)	38 492
B MP303 Mkhondo	74 666			74 666
B MP304 Pixley Ka Seme	25 220			25 220
B MP305 Lekwa	38 531			38 531
B MP306 Dipaleseng	17 959		6 200	24 159
B MP307 Govan Mbeki	55 161			55 161
C DC30 Gert Sibande District Municipality				
Total: Gert Sibande Municipalities	362 176		(15 750)	346 426
B MP311 Victor Khanye	30 377			30 377
B MP312 Emalahleni	114 223		(45 895)	68 328
B MP313 Steve Tshwete	47 457			47 457
B MP314 Emakhazeni	25 404			25 404
B MP315 Thembisile Hani	117 504			117 504
B MP316 Dr JS Moroka	119 102			119 102
C DC31 Nkangala District Municipality				
Total: Nkangala Municipalities	454 067		(45 895)	408 172
B MP321 Thaba Chweu	46 025		15 000	61 025
B MP324 Nkomazi	216 355		41 000	257 355
B MP325 Bushbuckridge	358 773		35 000	393 773
B MP326 City of Mbombela	330 659			330 659
C DC 32 Ehlanzeni District Municipality				
Total: Ehlanzeni Municipalities	951 812		91 000	1 042 812
Total: Mpumalanga Municipalities	1 768 055		29 355	1 797 410

**Schedule 5B
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National Treasury (Vote 7)	Municipal Infrastructure Grant			
	Column A	Column B		Column C
	2016/17 Main allocation	Roll-overs	Adjustments	2016/17 Adjusted allocation
NORTHERN CAPE				
B NC061 Richtersveld	7 001			7 001
B NC062 Nama Khoi	13 927		(2 600)	11 327
B NC064 Kamiesberg	8 406			8 406
B NC065 Hantam	9 272		3 000	12 272
B NC066 Karoo Hoogland	7 744			7 744
B NC067 Khai-Ma	15 430			15 430
C DC6 Namakwa District Municipality				
Total: Namakwa Municipalities	61 780		400	62 180
B NC071 Ubuntja	9 514		(4 000)	5 514
B NC072 Umsobomvu	17 464		(1 700)	15 764
B NC073 Emthanjeni	11 602		(2 415)	9 187
B NC074 Kareeberg	7 669		3 000	10 669
B NC075 Renosterberg	7 137		(2 481)	4 656
B NC076 Thembelille	9 018		(875)	8 143
B NC077 Siyathemba	9 379			9 379
B NC078 Siyancuma	15 851		15 000	30 851
C DC7 Pixley Ka Seme District Municipality				
Total: Pixley Ka Seme Municipalities	87 634		6 529	94 163
B NC082 !Kai !Garib	21 395		2 500	23 895
B NC084 !Kheis	10 202			10 202
B NC085 Tsamtsabane	14 833		12 000	26 833
B NC086 Kgatelopele	7 673		13 000	20 673
B NC087 Dawid Kruijer	27 177			27 177
C DC8 ZF Mgcawu District Municipality				
Total: ZF Mgcawu Municipalities	81 230		27 500	108 730
B NC091 Sol Plaatje	47 552		(10 473)	37 079
B NC092 Dikgatlong	18 487			18 487
B NC093 Magareng	10 653			10 653
B NC094 Phokwane	25 064		20 000	45 064
C DC9 Frances Baard District Municipality				
Total: Frances Baard Municipalities	101 756		9 527	111 283
B NC451 Joe Morolong	57 839			57 839
B NC452 Ga-Segonyana	51 521			51 521
B NC453 Gamagara	21 569			21 569
C DC45 John Taolo Gaetsewe District Municipality				
Total: John Taolo Gaetsewe Municipalities	130 929			130 929
Total: Northern Cape Municipalities	463 379		43 956	507 335
NORTH WEST				
B NW371 Moretele	101 410		25 000	126 410
B NW372 Madibeng	248 907			248 907
B NW373 Rustenburg	199 914		(30 000)	169 914
B NW374 Kgetlengrivier	22 915			22 915
B NW375 Moses Kotane	133 507		(20 000)	113 507
C DC37 Bojanala Platinum District Municipality				
Total: Bojanala Platinum Municipalities	706 653		(25 000)	681 653
B NW381 Ratlou	43 059		15 000	58 059
B NW382 Tswaing	27 939			27 939
B NW383 Mafikeng	70 417		25 000	95 417
B NW384 Ditsobotla	34 875		20 000	54 875
B NW385 Ramotshere Moiloa	35 460			35 460
C DC38 Ngaka Modiri Molema District Municipality	290 197		(173 976)	116 221
Total: Ngaka Modiri Molema Municipalities	501 947		(113 976)	387 971
B NW392 Naledi	16 204		25 000	41 204
B NW393 Mamusa	19 979		(13 688)	6 291
B NW394 Greater Taung	45 436		7 900	53 336
B NW396 Lekwa-Teemane	25 617			25 617
B NW397 Kagisano-Molopo	28 697			28 697
C DC39 Dr Ruth Segomotsi Mompati District Municipality	134 717		105 688	240 405
Total: Dr Ruth Segomotsi Mompati Municipalities	270 650		124 900	395 550
B NW403 City of Matlosana	83 362			83 362
B NW404 Maquassi Hills	26 925		51 000	77 925
B NW405 Venetrsdorp/Tlokwe	64 812		27 782	92 594
C DC40 Dr Kenneth Kaunda District Municipality				
Total: Dr Kenneth Kaunda Municipalities	175 099		78 782	253 881
Total: North West Municipalities	1 654 349		64 706	1 719 055

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National Treasury (Vote 7)	Municipal Infrastructure Grant			
	Column A	Column B		Column C
	2016/17 Main allocation	Roll-overs	Adjustments	2016/17 Adjusted allocation
WESTERN CAPE				
A CPT City of Cape Town				
B WC011 Matzikama	20 337			20 337
B WC012 Cederberg	22 631			22 631
B WC013 Bergrivier	13 884		(5 000)	8 884
B WC014 Saldanha Bay	18 532			18 532
B WC015 Swartland	20 330			20 330
C DC1 West Coast District Municipality				
Total: West Coast Municipalities	95 714		(5 000)	90 714
B WC022 Witzenberg	21 389			21 389
B WC023 Drakenstein	33 542			33 542
B WC024 Stellenbosch	34 147			34 147
B WC025 Breede Valley	32 885			32 885
B WC026 Langeberg	20 983			20 983
C DC2 Cape Winelands District Municipality				
Total: Cape Winelands Municipalities	142 946			142 946
B WC031 Theewaterskloof	25 204			25 204
B WC032 Overstrand	21 030			21 030
B WC033 Cape Agulhas	10 501			10 501
B WC034 Swellendam	18 391		(1 054)	17 337
C DC3 Overberg District Municipality				
Total: Overberg Municipalities	75 126		(1 054)	74 072
B WC041 Kannaland	9 803			9 803
B WC042 Hessequa	13 023			13 023
B WC043 Mossel Bay	23 004			23 004
B WC044 George	38 283			38 283
B WC045 Oudtshoorn	20 756			20 756
B WC047 Bitou	19 253		6 429	25 682
B WC048 Knysna	23 891			23 891
C DC4 Eden District Municipality				
Total: Eden Municipalities	148 013		6 429	154 442
B WC051 Laingsburg	6 316			6 316
B WC052 Prince Albert	7 212			7 212
B WC053 Beaufort West	25 835			25 835
C DC5 Central Karoo District Municipality				
Total: Central Karoo Municipalities	39 363			39 363
Total: Western Cape Municipalities	501 162		375	501 537
National Total	14 914 028			14 914 028