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## **THE PRESIDENCY**

No. 408

3 April 2009

It is hereby notified that the President has assented to the following Act, which is hereby published for general information:—

**No. 12 of 2009: Division of Revenue Act, 2009.**



**AIDS HELPLINE: 0800-123-22 Prevention is the cure**

*(English text signed by the President.)  
(Assented to 3 April 2009.)*

# ACT

To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2009/10 financial year and the responsibilities of all three spheres pursuant to such division; and to provide for matters connected therewith.

## PREAMBLE

**WHEREAS** section 214(1) of the Constitution of the Republic of South Africa, 1996, requires an Act of Parliament to provide for—

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

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

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## CHAPTER 1

### INTERPRETATION AND OBJECTS OF ACT 20

#### 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— 25

“**category A, B or C municipality**” has the meaning assigned to each category in terms of the Municipal Structures Act;

“**conditional allocation**” means a conditional allocation to a province, local government or municipality from the national government's share of revenue raised nationally, contemplated in section 214(1)(c) of the Constitution of the Republic of South Africa, 1996; 30

“**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);

“**financial year**” means the financial year commencing on 1 April 2009 and ending on 31 March 2010; 35

“**framework**” means the conditions and other information in respect of a conditional allocation published by the National Treasury in terms of section 24;

“**Municipal Finance Management Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003); 40

“**municipal financial year**” means the financial year of a municipality commencing on 1 July 2009 and ending on 30 June 2010;

“**next financial year**” means the financial year commencing on 1 April 2010 and ending on 31 March 2011;

“**next municipal financial year**” means the financial year of a municipality commencing on 1 July 2010 and ending on 30 June 2011; 45

“**organ of state**” means an organ of state as defined in section 239 of the Constitution;

“**payment schedule**” means a schedule which sets out—

- (a) the amount of each transfer of an equitable share or any conditional allocation in terms of this Act to be transferred to a province or municipality in the financial year; 50

(b) the date on which each transfer must be paid; and

(c) to whom, and to which bank account, each transfer must be paid;

**“prescribe”** means prescribe by regulation in terms of section 51;

**“primary bank account”**—

(a) in relation to a province, means a bank account of the Provincial Revenue Fund held with a commercial bank which the head of the department in the provincial treasury has certified to the National Treasury as the bank account into which all conditional allocations, other than the Gautrain Rapid Rail Link Grant and the Gautrain Rapid Rail Link Loan, in terms of this Act must be deposited; and 5

(b) in relation to a municipality, means the bank account of the municipality as determined in terms of section 8 of the Municipal Finance Management Act; 10

**“Public Finance Management Act”** means the Public Finance Management Act, 1999 (Act No. 1 of 1999); 15

**“quarter”** means—

(a) 1 April to 30 June;

(b) 1 July to 30 September;

(c) 1 October to 31 December; or

(d) 1 January to 31 March; 20

**“receiving officer”**—

(a) in relation to a Schedule 4, 5 or 8 allocation transferred to a province, means the accounting officer of the provincial department which receives that allocation or a portion thereof for spending via an appropriation from its Provincial Revenue Fund; or 25

(b) in relation to a Schedule 4, 6, 7 or 8 allocation transferred to or provided in kind to a municipality, means the accounting officer of the municipality;

**“this Act”** includes any framework or allocation published, or any regulation, determination or request made or instruction given under this Act; 30

**“transferring national officer”** means the accounting officer of a national department that transfers a Schedule 4, 5, 6 or 8 allocation to a province or municipality or spends a Schedule 7 allocation on behalf of a municipality.

(2) Any determination, instruction or request in terms of this Act must be in writing.

## Objects of Act 35

2. The objects of this Act are to—

- (a) provide for the equitable division of revenue raised nationally among the three spheres of government;
- (b) promote better co-ordination between policy, planning, budget preparation and execution processes between and within the different spheres of government; 40
- (c) promote predictability and certainty in respect of all allocations to provinces and municipalities in order that such governments may plan their budgets over a multi-year period;
- (d) promote transparency and equity in the resource allocation process; and 45
- (e) promote accountability by ensuring that all allocations are reflected on the budgets of receiving provinces and municipalities.

**CHAPTER 2****EQUITABLE SHARE ALLOCATIONS****Equitable division of revenue raised nationally among spheres of government**

3. (1) Revenue raised nationally in respect of the financial year must be divided among the national, provincial and local spheres of government for their equitable share allocations as set out in Column A of Schedule 1. 5

(2) An envisaged division of revenue anticipated to be raised in respect of the next financial year and the 2011/12 financial year, and which is subject to the provisions of the annual Division of Revenue Acts in respect of those financial years, is set out in Column B of Schedule 1. 10

**Equitable division of provincial share among provinces**

4. (1) Each province's equitable share of the provincial share of revenue raised nationally in respect of the financial year is set out in Column A of Schedule 2.

(2) An envisaged division for each province of revenue anticipated to be raised nationally in respect of the next financial year and the 2011/12 financial year, and which is subject to the provisions of the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 2. 15

(3) Each province's equitable share allocation contemplated in subsection (1) must be transferred to the corporation for public deposits account of the province, in accordance with a payment schedule determined by the National Treasury in terms of section 34. 20

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

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

(2) An envisaged division between municipalities of revenue anticipated to be raised nationally in respect of the next financial year and the 2011/12 financial year, and which is subject to the provisions of the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 3. 25

(3) Each municipality's equitable share contemplated in subsection (1) must be transferred to the primary bank account of the municipality in three transfers on 7 July 2009, 30 November 2009 and 25 March 2010, in accordance with a payment schedule determined by the National Treasury in terms of section 34. 30

**Shortfalls, excess revenue and additional allocations**

6. (1) If actual revenue raised nationally in respect of the financial year falls short of the anticipated revenue set out in Schedule 1, the national government bears the shortfall. 35

(2) If actual revenue raised nationally in respect of the financial year exceeds the anticipated revenue set out in Schedule 1, the excess accrues to the national government, subject to subsection (3), to be used to reduce borrowing or pay debt as part of its share of revenue raised nationally, in addition to its share in Column A of Schedule 1.

(3) The national government may— 40

- (a) appropriate a portion of its equitable share or excess revenue contemplated in subsection (2) to make further allocations in an adjustments budget to—
  - (i) national departments; or
  - (ii) provinces or municipalities, as a conditional or an unconditional allocation; 5
- (b) increase a conditional allocation to a province or municipality through a virement under section 43 of the Public Finance Management Act; and
- (c) authorise expenditure in accordance with section 38.

### CHAPTER 3

## CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES 10

### *Part 1*

#### *Conditional allocations*

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

7. (1) Conditional allocations to provinces in respect of the financial year from the national government's share of revenue raised nationally, with the exception of the Gautrain Rapid Rail Link Loan, are set out in Column A of the following Schedules: 15

- (a) Schedule 4 specifying allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets;
- (b) Schedule 5 specifying specific-purpose allocations to provinces; and
- (c) Schedule 8 specifying incentives to provinces to meet targets with regards to priority government programmes. 20

(2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the next financial year and the 2011/12 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 25

#### **Conditional allocations to municipalities**

8. (1) Conditional allocations to local government in respect of the financial year from the national government's share of revenue raised nationally are set out in Column A of the following Schedules: 30

- (a) Schedule 4 specifying allocations to municipalities to supplement the funding of functions funded from municipal budgets;
- (b) Schedule 6 specifying specific-purpose allocations to municipalities;
- (c) Schedule 7 specifying allocations-in-kind to municipalities for designated special programmes; and 35
- (d) Schedule 8 specifying incentives to municipalities to meet targets with regards to priority government programmes.

(2) An envisaged division of conditional allocations to local government from the national government's share of revenue anticipated to be raised nationally for the next financial year and the 2011/12 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) The National Treasury must publish the share or indicative allocation of each municipality in respect of the local government allocations contemplated in subsections (1) and (2) in the *Gazette* in terms of section 24. 45

**Part 2*****Duties of accounting officers in respect of Schedule 4, 5, 6, 7 or 8 allocations*****Duties of transferring national officer in respect of Schedule 4 allocation**

9. (1) The transferring national officer of a Schedule 4 allocation is responsible for—
- (a) ensuring that transfers to all provinces and municipalities are— 5
    - (i) deposited only into the primary bank account of a province or municipality; and
    - (ii) made in accordance with the payment schedule approved in terms of section 34, unless allocations are withheld or stopped in terms of section 27 or 28; 10
  - (b) monitoring expenditure and non-financial performance information on programmes funded by an allocation, provided that any monitoring programme or system—
    - (i) is approved by the National Treasury;
    - (ii) does not impose any undue administrative burden on receiving provinces and municipalities beyond the provision of standard management information; 15
    - (iii) is compatible and integrated with and does not duplicate other relevant and related national, provincial and local systems; and
    - (iv) is consistent with sections 11(2) and 25; and 20
  - (c) evaluating the performance of programmes funded or partially funded by the allocation and the submission of such evaluations to the National Treasury, within four months in respect of a province, and six months in respect of a municipality, after the end of the financial year.
- (2) Where two or more national departments have responsibilities relating to a 25  
Schedule 4 allocation, the transferring national officer must co-ordinate the roles and responsibilities of such national departments and ensure that those roles and responsibilities—
- (a) are exercised in a manner that does not duplicate the responsibilities as set out in subsection (1); and 30
  - (b) do not impose any undue administrative burden on provinces or municipalities beyond the provision of standard management information.

**Duties of transferring national officer in respect of Schedule 5, 6, 7 or 8 allocation****10. (1) A transferring national officer must—**

- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that—
  - (i) allocation frameworks, including conditions and monitoring provisions, are reasonable and do not impose an undue administrative burden on receiving provincial departments and municipalities beyond the provision of standard management information; 5
  - (ii) monitoring provisions are compatible and integrated with and do not duplicate other relevant and related national, provincial and local systems; 10
  - (iii) in respect of a Schedule 5 allocation, any business plans requested in respect of how allocations will be utilised by a province have been approved prior to the start of the financial year;
  - (iv) in respect of a Schedule 6 allocation transferred to a municipality, any business plans requested in respect of how allocations will be utilised by a municipality have been approved prior to the start of the financial year; 15
- (b) transfer funds only after information required in terms of this Act has been secured and all relevant information has been provided to the National Treasury; 20
- (c) transfer funds only in accordance with a payment schedule determined in accordance with section 34;
- (d) deposit funds only into the primary bank account of a province or municipality, or, where appropriate, into the corporation for public deposits account of a province or the bank account designated for transfer of the Gautrain Rapid Rail Link Grant in accordance with section 17, or the Gautrain Rapid Rail Link Loan in terms of section 33; and 25
- (e) ensure that all other arrangements or requirements necessary for the transfer of an allocation have been complied with prior to the start of the financial year. 30

(2) The transferring national officer must submit all relevant information and documentation referred to in subsection (1)(a) to the National Treasury within 14 days after this Act takes effect. 30

(3) A transferring national officer who has not complied with subsection (1) must transfer the allocation in the manner instructed by the National Treasury, including as an unconditional allocation. 35

(4) Before making the first transfer of any allocation, the transferring national officer must take note of any notice in terms of section 44(1) from the National Treasury outlining the details of the account for each province or municipality.

(5) Despite anything to the contrary contained in any law, a transferring national officer must in respect of any allocation, as part of the report contemplated in section 40(4)(c) of the Public Finance Management Act, not later than 20 days after the end of each month, and in the format determined by the National Treasury, submit to the National Treasury information for the month reported on and for the financial year up to the end of that month on— 40

- (a) the amount of funds transferred to a province or municipality; 45
- (b) the amount of funds withheld or stopped from any province or municipality, the reasons for the withholding or stopping and the steps taken by the transferring national officer and the receiving officer to deal with the matters or causes that necessitated the withholding or stopping of the payment;
- (c) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 or 6 allocation; 50

- (d) the actual expenditure incurred by the transferring national officer in respect of a Schedule 7 allocation; and
- (e) such other issues as the National Treasury may determine.
- (6) The transferring national officer must evaluate the performance of programmes funded or partially funded by the allocation and submit such evaluations to the National Treasury— 5
  - (a) in respect of a province, four months after the end of the financial year; and
  - (b) in respect of a municipality, six months after the end of the financial year.

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

- 11. (1) A receiving officer is responsible for— 10
  - (a) complying with the framework for a Schedule 4 allocation as published in terms of section 24; and
  - (b) the manner in which it allocates and spends a Schedule 4 allocation.
- (2) The receiving officer of a municipality must— 15
  - (a) ensure and certify to the National Treasury that the municipality—
    - (i) indicates or, if required, exclusively appropriates each programme funded or partially funded by this allocation in its annual budget; and
    - (ii) makes public, in accordance with the requirements 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 20
 required inputs and outputs;
  - (b) as part of the report required in terms of section 71 of the Municipal Finance Management Act, report to the relevant provincial treasury, the National Treasury and the transferring national officer on spending and financial performance against programmes funded by the Schedule 4 allocation; and 25
  - (c) quarterly, within 30 days after the end of each quarter, report to the transferring national officer and the National Treasury on non-financial performance against programmes.
- (3) The receiving officer in a province must— 30
  - (a) submit, as part of the report required in section 40(4)(c) of the Public Finance Management Act, reports to the relevant provincial treasury on spending and performance against programmes; and
  - (b) submit a quarterly performance report within 30 days after the end of each quarter to the transferring national officer.
- (4) The receiving officer must report against programmes funded or partially funded 35
 by a Schedule 4 allocation against the relevant framework in its annual financial statements and annual report.
- (5) The receiving officer must, within two months after the end of the financial year, and where relevant, the municipal financial year, evaluate its performance in respect of programmes funded or partially funded by an allocation and submit such evaluation to 40
 the transferring national officer.

#### **Duties of receiving officer in respect of Schedule 5, 6 or 8 allocation**

- 12. (1) The relevant receiving officer must, in respect of a Schedule 5, 6 or 8 allocation transferred to—
  - (a) a province, as part of the report required in section 40(4)(c) of the Public 45
 Finance Management Act, report on the matters referred to in subsection (2)

- and submit a copy of the section 40(4)(c) report to the relevant provincial treasury and the transferring national officer;
- (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of the section 71 report to the relevant provincial treasury, the National Treasury and the relevant transferring national officer; and 5
- (c) a province or a municipality, submit a quarterly performance report within 30 days after the end of each quarter to the transferring national officer.
- (2) A report by a province in terms of subsection (1)(a) must set out for that month and for the financial year up to the end of that month— 10
- (a) the amount received by the province;
- (b) the amount of funds stopped or withheld from the province;
- (c) the actual expenditure by the province in respect of a Schedule 5 allocation;
- (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 assist the province in implementing such a programme; 15
- (e) the actual expenditure by a public entity referred to in paragraph (d);
- (f) the extent of compliance with the conditions of an allocation provided for in a framework and with this Act; 20
- (g) an explanation of any material problems experienced by the province regarding an allocation which has been received and a summary of the steps taken to deal with such problems; and
- (h) such other issues and information as the National Treasury may determine.
- (3) (a) Subsections (1) and (2) do not apply to the receiving officer of the Gautrain Rapid Rail Link Grant or the Gautrain Rapid Rail Link Loan. 25
- (b) The receiving officer of the Gautrain Rapid Rail Link Grant must, at the end of each quarter, submit a report to the transferring national officer, detailing the payment made in that quarter to meet its payment obligation in terms of the public-private partnership agreement entered into by the province in accordance with regulations issued under the Public Finance Management Act. 30
- (c) Copies of payment certificates issued in terms of the public-private partnership agreement must be submitted together with the report referred to in paragraph (b).
- (4) A report by a municipality in terms of subsection (1) must set out for that month and for the financial year up to the end of that month— 35
- (a) the amount of funds stopped or withheld from the municipality;
- (b) the extent of compliance with the conditions of an allocation or part of an allocation provided for in a framework and with this Act;
- (c) an explanation of any material problems experienced by the municipality regarding an allocation which has been received and a summary of the steps taken to deal with such problems; and 40
- (d) such other issues and information as the National Treasury may determine.
- (5) The receiving officer of the 2010 FIFA World Cup Stadiums Development Grant must, in addition to subsection (1)—
- (a) include in the report contemplated in that subsection the cash flow projections for the stadium construction or upgrading in the format determined by the transferring national officer; and 45
- (b) attach to the report contemplated in that subsection copies of payment certificates issued in terms of the construction contract entered into by the municipality which comply with the requirements of the Municipal Finance Management Act. 50
- (6) The receiving officer must, within two months after the end of the financial year, and where relevant, the municipal financial year, evaluate its performance in respect of

programmes or functions funded or partially funded by an allocation and submit such evaluation to the transferring national officer.

### **Duties in respect of annual financial statements and annual reports for 2009/10**

**13.** (1) The 2009/10 financial statements of a national department transferring any funds in respect of an allocation set out in Schedule 4, 5, 6 or 8 must, in addition to any requirements in terms of any other applicable law— 5

- (a) indicate the total amount of that allocation transferred to a province or municipality;
- (b) indicate the transfers, if any, that were withheld in respect of each province or municipality; 10
- (c) indicate any re-allocations by the National Treasury in terms of section 29 or the transferring national officer in terms of section 23(7);
- (d) certify that all transfers to a province or municipality were deposited into the primary bank account of a province or municipality or, where appropriate, into the corporation for public deposits account of a province; and 15
- (e) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer.

(2) The 2009/10 annual report of a national department transferring any funds in respect of an allocation set out in Schedule 4, 5, 6 or 8 must, in addition to any requirements in terms of any other applicable law— 20

- (a) indicate the reasons for the withholding of any transfers to a province or municipality;
- (b) indicate to what extent provinces or municipalities were monitored for compliance with the conditions of an allocation provided for in the relevant framework and the provisions of this Act; 25
- (c) indicate to what extent the allocation achieved its purpose and outputs; and
- (d) indicate any non-compliance with this Act, and the steps taken to deal with such non-compliance.

(3) The 2009/10 financial statements of a provincial department receiving an allocation in terms of Schedule 4, 5 or 8 must, in addition to any requirements in terms of any other applicable law— 30

- (a) indicate the total amount of all allocations received;
- (b) indicate the total amount of actual expenditure on all allocations except Schedule 4 allocations; and
- (c) certify that all transfers in terms of this Act to the province were deposited into the primary bank account of the province or, where appropriate, into the corporation for public deposits account of a province. 35

(4) The 2009/10 annual report of a provincial department receiving an allocation in terms of Schedule 4, 5 or 8 must, in addition to any requirements in terms of any other applicable law— 40

- (a) indicate to what extent the province met the conditions provided for in the relevant framework of such an allocation and complied with the provisions of this Act;
- (b) indicate the steps taken to deal with non-compliance with the conditions provided for in the relevant framework of such an allocation and the provisions of this Act; 45
- (c) indicate the extent to which the objectives and outputs of the allocation were achieved; and
- (d) contain such other information as the National Treasury may determine.

(5) The 2009/10 financial statements and annual report of a municipality must be prepared in accordance with the Municipal Finance Management Act. 50

(6) The National Treasury may determine how transferring departments and receiving

municipalities report on local government allocations on a quarterly basis to facilitate the audit of allocations for both the national and municipal financial years.

### **Part 3**

#### ***Matters relating to specific Schedule 4 allocations***

##### **Infrastructure Grant to Provinces**

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14. (1) The Infrastructure Grant to Provinces set out in Schedule 4 supplements the funding of infrastructure programmes funded from provincial budgets to enable provinces to address backlogs in provincial infrastructure.

(2) A province must ensure that its provincial departments responsible for education, health and roads—

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(a) are responsible for all capital and maintenance budgets and spending for those functions;

(b) enter into, implement and manage service delivery agreements with national or provincial departments, national or public entities and any other organs of state, where such departments, entities or other organs of state manage or undertake construction or maintenance on their behalf; and

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(c) participate, together with the provincial department responsible for public works in the Infrastructure Delivery Improvement Programme facilitated by the National Treasury, unless the National Treasury has exempted a department from participation.

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(3) (a) A province, in allocating the Infrastructure Grant to Provinces—

(i) must, with the exception of the ring-fenced sectoral allocations, take into account the capacity of the receiving provincial department to spend and manage infrastructure, based on the extent of any approved roll-overs in the 2007/08 financial year and any projected roll-overs in the 2008/09 financial year; and

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(ii) may, where a receiving provincial department or a provincial department responsible for public works that manages or undertakes construction or maintenance on behalf of the receiving provincial department in accordance with an agreement referred to in subsection (2)(b) lacks capacity, designate an amount not exceeding four per cent of the allocation for acquiring such capacity.

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(b) The percentage referred to in paragraph (a)(ii) must be informed by a capacity plan prepared by the receiving provincial department or the provincial department responsible for public works and approved by the provincial treasury.

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##### **Municipal Infrastructure Grant (Cities)**

15. (1) (a) The Municipal Infrastructure Grant (Cities) set out in Schedule 4 supplements the funding of infrastructure programmes funded from the budgets of the municipalities identified in Schedule 4 to address municipal infrastructure backlogs, foster integrated built environments, as well as other investments that support the built environment.

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(b) The Municipal Infrastructure Grant (Cities) seeks to ensure integrated planning, effective leveraging of municipal resources towards the eradication of backlogs, improved performance in integrated human settlement development outcomes, and effective asset management practices.

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(c) Conditions associated with the grant must be restricted to output and outcome performance of the overall municipal capital expenditure programme.

(2) The Municipal Infrastructure Grant (Cities) may be transferred to a municipality only if the municipality—

(a) has satisfied the criteria set out in the grant policy framework; and

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(b) has submitted, by 30 May 2009, an infrastructure performance framework which complies with the requirements set out in the grant policy framework to the National Treasury and the transferring national officer, along with proof

that the performance framework and the performance targets contained therein have been ratified by a resolution of the municipal council.

(3) The provisions of the performance framework ratified by the municipal council must, for the purposes of sections 27 and 28, be regarded as provisions of this Act.

(4) The transferring national officer must submit copies of the infrastructure performance framework referred to in subsection (2)(b) to the relevant sectoral departments by 1 July 2009.

(5) A municipality receiving the Municipal Infrastructure Grant (Cities) must, together with the requirements of section 11(2)(b), report on performance against the targets provided for in the framework referred to in subsection (2)(b), in accordance and in conjunction with the reporting requirements of section 71 of the Municipal Finance Management Act.

(6) Reporting to the National Treasury in terms of subsection (5) must be regarded as compliance with section 9(1)(b).

(7) The National Treasury must make the report submitted to it in terms of section 11(2)(b) or (c) available to any other national departments that have responsibilities relating to the Grant.

### **Municipal Infrastructure Grant**

16. (1) The Municipal Infrastructure Grant set out in Schedule 4 supplements the funding of infrastructure programmes from municipal budgets, to enable municipalities that do not receive the Municipal Infrastructure Grant (Cities) to address backlogs in municipal infrastructure required for the provision of basic services.

(2) The Municipal Infrastructure Grant must be transferred directly to a category B or C municipality that has the powers and functions referred to in section 84 of the Municipal Structures Act, to enable the municipality to provide municipal infrastructure in respect of those powers and functions.

(3) The Municipal Infrastructure Grant allocation for a category B or C municipality may be transferred to the category C municipality or province within whose jurisdiction the municipality is situated if, in the assessment of the transferring national officer in consultation with the National Treasury, the municipality does not—

- (a) have sufficient expenditure capacity to effectively carry out the infrastructure programmes; or
- (b) adhere to good financial governance practices.

(4) A municipality receiving the Municipal Infrastructure Grant must table a three-year capital budget as part of its budget for the 2009/10 financial year in accordance with the Municipal Finance Management Act, unless exempted in terms of that Act.

(5) The transferring national officer of the Municipal Infrastructure Grant, in addition to the duties contemplated in section 9, must, within 20 days after the end of each month, submit a report to the National Treasury and the other national departments that have responsibilities relating to the Grant, which report must include—

- (a) expenditure and non-financial performance information on programmes funded by an allocation; and
- (b) an explanation of any material problems experienced by municipalities regarding an allocation that has been received and a summary of the interventions or steps taken to deal with such problems.

(6) The framework for the Municipal Infrastructure Grant may—

- (a) include a condition requiring the registration of a project with a national department or any other organ of state prior to the financial year or municipal financial year in which the project will be implemented or such later date as may be agreed upon between the transferring national officer and the receiving officer, but such later date may not delay or impede the commencement of that project in the relevant financial year; and
- (b) not include any condition—
  - (i) for a national department or any other organ of state, other than the

- relevant province or municipality or the National Treasury in respect of a public-private partnership, to approve specific projects or budgets; or
- (ii) requiring a report on spending other than the reports required in terms of section 11 or as approved by the National Treasury.

#### **Part 4**

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#### ***Matters relating to specific Schedule 5 allocations***

#### **Gautrain Rapid Rail Link Grant**

17. (1) The transferring national officer of the Gautrain Rapid Rail Link Grant must, in addition to the duties contemplated in sections 10 and 34, take appropriate steps to ensure that transfers are made timeously and in a manner that allows the province to meet its payment obligations in terms of the public-private partnership agreement entered into by the province in accordance with regulations issued under the Public Finance Management Act. 10

(2) The transferring national officer must transfer the Gautrain Rapid Rail Link Grant to the bank account designated for transfer in the dedicated banking account configuration established for the transfer of the Gautrain Rapid Rail Link Grant in accordance with the directive issued by the National Treasury under section 10(2)(a) of the Division of Revenue Act, 2006 (Act No. 2 of 2006). 15

#### **Integrated Housing and Human Settlement Development Grant**

18. (1) The receiving officer must, in the interest of facilitating the commencement and continued implementation of the housing programme, consider advancing a portion of the allocation for the financial year, on such conditions as it may determine, to a municipality, when requested to do so by the municipality. 20

(2) Where a dispute arises between a receiving officer and a municipality in respect of the need for an advance referred to in subsection (1), the municipality may request the transferring national officer to mediate the dispute. 25

(3) The transferring national officer must, on receipt of a request referred to in subsection (2), take all necessary steps to resolve the dispute as soon as possible, but no later than 60 days after the request was received.

(4) No advance in terms of subsection (1) may be made in respect of implementation activities to be undertaken in the next financial year. 30

#### **Part 5**

#### ***Matters relating to specific Schedule 6 allocations***

#### **2010 FIFA World Cup Stadiums Development Grant**

19. (1) The transferring national officer of a 2010 FIFA World Cup Stadiums Development Grant must, in addition to the duties contemplated in section 10, take appropriate steps to ensure that— 35

- (a) spending on stadiums in each World Cup Host City—
- (i) does not exceed the amounts appropriated for that purpose on municipal budgets; and 40
  - (ii) are in accordance with the approved payment schedule;
  - (b) the Municipal Finance Management Act is adhered to; and
  - (c) expert technical, engineering and project management support necessary to ensure the construction or upgrading of the relevant stadiums are provided to the World Cup Host Cities. 45

(2) A receiving officer must, in addition to complying with the duties and reporting requirements contemplated in section 12—

- (a) ensure that the amount budgeted for the construction or upgrading of the relevant stadium and supporting infrastructure takes into account the allocation and indicative allocations for the grant set out in Column B of Schedule 6;
  - (b) ensure that spending is in accordance with the approved payment schedule; 5
  - (c) ensure, by no later than 30 September 2010, that all stadium final financial reports are submitted by the transferring national officer to the National Treasury;
  - (d) provide such information and reports, within the specified timeframes, to the transferring national officer as he or she may request in the performance of the duties provided for in subsection (1). 10
- (3) (a) The transferring national officer must, after consultation with receiving officers, not later than 30 days after this Act takes effect, submit a monitoring plan to the National Treasury.
- (b) The monitoring plan must set out the key performance indicators, financial procedures, internal audit processes and monitoring and reporting mechanisms of the national department, in order to ensure the effective and efficient construction or upgrading of the relevant stadiums. 15
- (4) Any expenditure by a municipality on a stadium that exceeds the allocation and anticipated allocations set out in Schedule 6 must be funded from the municipal budget. 20
- (5) In addition to the requirements of the Municipal Finance Management Act, the disposal of a stadium by the municipality is subject to the approval of the transferring national officer and the National Treasury.
- (6) (a) The transferring national officer and the receiving officer of a 2010 FIFA World Cup Stadiums Development Grant may enter into an agreement to further clarify the provisions of this Act and the relevant framework, and to enhance the implementation of the allocation. 25
- (b) Any provision of an agreement referred to in paragraph (a) that contradicts, conflicts with or purports to amend or negate the provisions of this Act, the relevant framework, any provision of the Public Finance Management Act or any provision of the Municipal Finance Management Act, is invalid. 30

## **Part 6**

### ***Matters relating to specific Schedule 7 allocations***

#### **Integrated National Electrification Programme Grant**

20. (1) The transferring national officer must ensure that Eskom Holdings Limited's implementation of the National Electrification Programme within a municipality is aligned with the Integrated Development Plan of that municipality, and prepared in accordance with the Municipal Systems Act. 35
- (2) Eskom Holdings Limited must, within 30 days after the end of each month, report to the relevant municipality, the transferring national officer and the National Treasury on the amount spent on the implementation of the National Electrification Programme. 40

#### **Regional Bulk Infrastructure Grant**

21. The transferring national officer must, in implementing the Regional Bulk Infrastructure Grant, ensure that—
- (a) every municipality that may benefit from a specific project or scheme is invited to participate in the feasibility study to be undertaken in respect of the project or scheme, despite the fact that the municipality did not participate in submitting a motivation for that feasibility study; 45
  - (b) the feasibility study takes account of the Integrated Development Plans of municipalities, prepared in accordance with the Municipal Systems Act, 50

especially the water services development plans that form part of the Integrated Development Plans; and

- (c) all participating municipalities—
  - (i) agree to and understand the implications of the findings of the feasibility studies; and
  - (ii) enter into an agreement setting out their rights and obligations regarding the construction, ownership and operation of the proposed infrastructure, prior to the finalisation of funding arrangements and the commencement of construction.

#### **Water Services Operating Subsidy**

22. (1) The transferring national officer, subsequent to the signing of a transfer agreement between the transferring national officer and the municipality for the transfer of water services assets, may, with the written approval of the National Treasury, adjust the Water Services Operating and Transfer Subsidy allocation to a municipality to reflect—

- (a) the actual personnel allocation payable to a municipality as a result of the number of staff transferred from the transferring national department to the municipality; and
- (b) the actual operating allocation payable to a municipality, as informed by the percentage or portion of assets transferred to a municipality in respect of assets shared across municipal boundaries.

(2) Any adjustments contemplated in subsection (1) must, together with an explanatory memorandum, be published by the National Treasury in the *Gazette*, within 120 days after granting approval for an adjustment.

#### **Part 7**

#### ***Matters relating to specific Schedule 8 allocations***

#### **Expanded Public Works Programme Incentive**

23. (1) The Expanded Public Works Programme Incentive set out in Schedule 8 is a special performance-based incentive provided to provinces and municipalities that contribute to the employment creation efforts of the Expanded Public Works Programme through the employment of previously unemployed people.

(2) In order to receive the Expanded Public Works Programme Incentive, a province or municipality must—

- (a) meet the eligibility requirements set out in the framework;
- (b) attain the minimum performance threshold determined by the transferring national officer in terms of the framework; and
- (c) conclude an agreement with the transferring national officer which complies with the requirements set out in the framework.

(3) A province or municipality which is receiving the Expanded Public Works Programme Incentive must—

- (a) comply with the requirements specified in the framework and the agreement entered into between the transferring national officer and the province or municipality; and
- (b) utilise the incentive payments received for continuing or expanding job creation programmes.

(4) The transferring national officer must—

- (a) conclude agreements with provinces and municipalities who are eligible to receive the Expanded Public Works Programme Incentive;
- (b) adjust the indicative allocations, threshold and performance targets of provinces and municipalities on a quarterly basis, based on their performance during the previous quarter, and submit the adjusted allocations and targets to the National Treasury within 20 days after the end of the quarter;

- (c) disburse the Expanded Public Works Programme Incentive in terms of the framework and payment schedule; and
  - (d) submit a quarterly report to the National Treasury—
    - (i) assessing the progress of the Expanded Public Works Programme Incentive and the performance of the provinces and municipalities who are eligible to receive the Incentive; and
    - (ii) detailing the amounts which were allocated for that quarter to provinces and municipalities, as well as the amounts which were paid to them for that quarter.
- (5) As this is a performance-based incentive, the allocations set out in Schedule 8 are indicative only, and are based on projected employment creation performance by provinces and municipalities.
- (6) The indicative allocations for provinces and municipalities are amounts which they will become eligible to receive if they exceed their threshold targets and meet their performance targets.
- (7) The transferring national officer may, in accordance with the terms of the framework—
- (a) revise the indicative allocations of underperforming provinces and municipalities downwards;
  - (b) reallocate the indicative allocation from any underperforming provinces and municipalities to provinces and municipalities which exceed their performance targets;
  - (c) provide additional amounts to provinces and municipalities that exceed their performance targets, subject to the availability of funds; and
  - (d) determine that a province or municipality should not be eligible to receive further incentive payments where there has been a persistent and material failure to comply with the requirements of the Act, the framework or the terms of the agreement between the transferring national officer and that province or municipality.
- (8) In accordance with section 34(3)(b), the transferring national officer must submit a provisional payment schedule, containing the indicative allocations and threshold and performance targets based on the projected performance of all eligible provinces and municipalities.
- (9) Within 20 days after the close of the quarter, the transferring officer must submit an amended payment schedule for the respective quarter to the National Treasury, based on the actual performance of all eligible provinces and municipalities.
- (10) The National Treasury must, within 30 days of the end of each quarter, publish in the *Gazette*—
- (a) the revised indicative allocations per province and municipality for that quarter;
  - (b) the revised threshold and performance targets for each province and municipality for that quarter; and
  - (c) the amounts paid during that quarter to provinces and municipalities for the Expanded Public Works Programme Incentive.
- (11) The Expanded Public Works Programme Incentive is not subject to sections 27, 28 and 29.

## **Part 8**

### ***General matters relating to Schedule 4, 5, 6, 7 or 8 allocations***

#### **Publication of allocations and frameworks**

24. (1) The National Treasury must, within 14 days of this Act taking effect, publish in the *Gazette*—
- (a) the allocations per municipality, in respect of Schedule 4 and 6 allocations;

- (b) the indicative allocations per municipality, in respect of Schedule 7 allocations;
  - (c) the indicative allocations for provinces and municipalities, along with their initial threshold and performance targets, in respect of Schedule 8 allocations; and
  - (d) the framework for each Schedule 4, 5, 6, 7 or 8 allocation. 5
- (2) The National Treasury must publish in the *Gazette*—
- (a) any revisions of or amendments to the allocations or frameworks published in terms of subsection (1) authorised by an adjustment budget;
  - (b) any additional allocation that is authorised by an adjustment budget or a virement made in terms of the Public Finance Management Act; 10
  - (c) any revisions of or amendments to the allocations and frameworks published in terms of subsection (1) necessary to give effect to the conversion of a Schedule 7 allocation to a Schedule 6 allocation in terms of section 30;
  - (d) any re-allocations by the National Treasury in accordance with section 29 or the transferring national officer in terms of section 23(7); 15
  - (e) any revised allocations in respect of Schedule 7 Grants; and
  - (f) the revised indicative allocations, performance and threshold targets for the Expanded Public Works Programme Incentive in terms of section 23(10). 20
- (3) The National Treasury may at any time, after consultation with or at the written request of a transferring national officer, revise or amend a framework published in terms of subsection (1) or (2), to correct any error or omission. 20
- (4) An amendment, revision, additional allocation or re-allocation takes effect on publication thereof in the *Gazette*.

#### **Frameworks for Schedule 4 allocations**

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25. The framework for a Schedule 4 allocation must be designed to promote comprehensive reporting on outputs for a programme or function funded or partially funded by the allocation.

#### **Spending in terms of purpose and subject to conditions**

26. (1) Despite anything to the contrary contained in any law, an allocation referred to in Schedule 4, 5, 6, 7 or 8 may only be utilised for the purpose stipulated in the Schedule concerned and in accordance with the framework published in terms of section 24. 30

(2) A receiving officer may not transfer any Schedule 5 or 6 allocation or a portion of such allocation to any other entity for the performance of a function envisaged in terms of the allocation, unless— 35

- (a) it is a transfer that is approved in the budget of the receiving province or municipality or a framework published in terms of section 24;
- (b) it is a payment for services rendered or goods received, which services or goods were procured in accordance with the supply chain management policy or procurement policy of the relevant province or municipality and for which adequate documentation for payment has been received; or 40
- (c) in the case of an advance payment or a transfer not consistent with the budget of the receiving province or municipality—
  - (i) the receiving officer has certified to the National Treasury that the transfer is not an attempt to artificially inflate its spending estimates and that there are good reasons for the advance payment or transfer; and 45
  - (ii) the National Treasury has approved the advance payment or transfer.

**Withholding of allocation**

27. (1) Subject to subsections (2) and (3), a transferring national officer may withhold the transfer of a Schedule 4, 5 or 6 allocation or any portion of such allocation for a period not exceeding 30 days if—

- (a) the province or municipality does not comply with the provisions of this Act or conditions to which the allocation, as provided for in the relevant framework, is subject; 5
- (b) roll-overs of conditional allocations approved by the National Treasury in accordance with section 31 have not been spent; or
- (c) expenditure on previous transfers during the financial year reflects significant under-spending, for which no satisfactory explanation is given. 10

(2) Despite subsection (1), the Health Professions Training and Development Grant and National Tertiary Services Grant may not be withheld in terms of this section.

(3) A transferring national officer must, seven working days, or such shorter period as may be approved by the National Treasury, prior to withholding an allocation in terms of subsection (1)— 15

- (a) give the relevant receiving officer—
  - (i) written notice of the intention to withhold the allocation; and
  - (ii) an opportunity to submit written representations, within those seven days or that shorter period, as to why the allocation should not be withheld; 20
- (b) inform the relevant provincial treasury and the National Treasury and, in respect of the Municipal Infrastructure Grant (Cities) and the Municipal Infrastructure Grant, also the provincial department responsible for local government of its intention to withhold the allocation. 25

(4) A notice contemplated in subsection (3) must include the reasons for withholding the allocation and the intended duration of the withholding.

(5) (a) The National Treasury may, when a transferring national officer is withholding an allocation in terms of subsection (1), instruct or approve a request from that transferring national officer to withhold an allocation for a period longer than 30 days, but not exceeding 120 days, if the withholding will— 30

- (i) facilitate compliance with this Act or the conditions to which the allocation is subject; or
- (ii) minimise the risk of under-spending.

(b) A transferring national officer must, when requesting the withholding of an allocation in terms of this subsection, submit proof of its compliance with subsection (3) and any representations received from the receiving officer, to the National Treasury. 35

(c) The transferring national officer must again comply with subsection (3) when the National Treasury instructs or approves a request by him or her in terms of paragraph (a). 40

**Stopping of allocation**

28. (1) Despite section 27, the National Treasury may, in its discretion or at the request of a transferring national officer, stop the transfer of—

- (a) a Schedule 4, 5 or 6 allocation referred to in section 27(1) to a province or municipality on the grounds of persistent and material non-compliance with— 45
  - (i) the provisions of this Act; or
  - (ii) a condition to which the allocation, as provided for in the relevant framework, is subject; or

- (b) a Schedule 4, 5 or 6 allocation referred to in section 27(1), if the National Treasury anticipates that a province or municipality will substantially under-spend on that programme or allocation in the financial year.

(2) The National Treasury must, when stopping an allocation in terms of this section—

- (a) comply with section 27(3)(a), and in respect of a municipality, also with section 38 of the Municipal Finance Management Act; and

- (b) inform the relevant provincial treasury of its intention to stop the allocation.

(3) Any stopping of an allocation contemplated in subsection (1) must, together with an explanatory memorandum, be published by the National Treasury in the *Gazette*.

(4) (a) The Minister may, by notice in the *Gazette*, approve that an allocation or any portion of such allocation stopped in terms of subsection (1), be utilised to meet that province's or municipality's outstanding statutory and contractual financial commitments.

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

### Re-allocation after stopping of allocation

29. (1) (a) The National Treasury may, where it stops an allocation in terms of section 28, after consultation with the transferring national officer, determine that a portion of the allocation that will not be spent be reallocated to one or more provinces or municipalities, on condition that the allocation will be spent in the financial year or the next financial year.

(b) The reallocation of a portion of an allocation or the full allocation on condition that the allocation will be spent in the next financial year, referred to in paragraph (a), must be deemed to be a roll-over approved by the National Treasury in terms of section 31(2)(a).

(2) (a) Despite subsection (1), the National Treasury may, when an intervention in terms of the Constitution or section 150 of the Municipal Finance Management Act is taking place, on such conditions as it may determine, authorise—

- (i) in relation to section 100 of the Constitution, the transferring national officer to spend an allocation stopped in terms of section 28 on behalf of the relevant province;
- (ii) in relation to section 139 of the Constitution, the intervening province to spend an allocation stopped in terms of section 28 on behalf of the relevant municipality; or
- (iii) in relation to section 150 of the Municipal Finance Management Act, the relevant transferring national officer to spend an allocation stopped in terms of section 28 on behalf of the relevant municipality.

(b) An allocation that is spent by the transferring national officer or intervening province referred to in paragraph (a) must, for the purposes of this Act, be regarded as a Schedule 7 allocation from the date on which the authorisation is given.

### Conversion of Schedule 7 to Schedule 6 allocation

30. (1) The National Treasury may, in its discretion or at the request of the transferring national officer, convert a Schedule 7 allocation to a Schedule 6 allocation, if the National Treasury is of the opinion that the conversion will prevent under-spending on the allocation.

(2) A conversion referred to in subsection (1) takes effect on the date of the publication referred to in section 24(2)(c).

(3) The National Treasury must inform the transferring national officer and each affected receiving municipality of a conversion.

**Unspent conditional allocations**

31. (1) Despite the provisions of the Public Finance Management Act or the Municipal Finance Management Act relating to roll-overs, any conditional allocation, excluding the Gautrain Rapid Rail Link Grant, the Gautrain Rapid Rail Link Loan and the Expanded Public Works Programme Incentive, that is, in the case of a province, not spent at the end of a financial year or, in the case of a municipality, at the end of a municipal financial year, reverts to the National Revenue Fund, unless the relevant receiving officer can prove to the satisfaction of the National Treasury that the unspent allocation is committed to identifiable projects. 5

(2) The National Treasury may, at the request of a transferring national officer, provincial treasury or municipality, approve— 10

- (a) a roll-over from a conditional allocation to the next financial year; and
- (b) spending of a portion of a conditional allocation on activities related to the purpose of that allocation, where the province or municipality projects significant unforeseeable and unavoidable over-spending on its budget. 15

**Allocations to public entities for provision of municipal service or function**

32. No public entity, other than Eskom Holdings Limited in respect of funds received from the Department of Minerals and Energy and water boards in respect of funds received from the Department of Water Affairs and Forestry for the implementation of Schedule 7 allocations, may receive funds for the provision of a municipal service or municipal function on behalf of a municipality from a national or provincial organ of state except via the municipality responsible for that service or function, unless the National Treasury approves otherwise in respect of municipalities it deems to have low capacity. 20

**Part 9**

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**Other allocations****Gautrain Rapid Rail Link Loan**

33. (1) An amount of R4.2 billion is allocated to the Gauteng Province for the implementation of the Gautrain Rapid Rail Link Project, subject to a loan agreement being entered into between the Minister of Finance and the Premier of the Gauteng Province and the Province's continued compliance with the loan agreement once entered into. 30

(2) The loan agreement referred to in subsection (1) is subject to the provisions of this Act.

(3) Any non-compliance by the Gauteng Province with the requirements of the loan agreement constitutes financial misconduct contemplated in section 48. 35

**CHAPTER 4****MATTERS RELATING TO ALL ALLOCATIONS****Payment schedule**

34. (1) (a) The National Treasury determines the payment schedule for the transfer of a province's equitable share allocation, after consultation with the head of the department in the provincial treasury. 40

(b) In determining the payment schedule, the National Treasury must take account of the monthly spending commitments of provinces and seek to minimise risk and debt servicing costs for national and provincial government. 45

(c) Despite paragraph (a), the National Treasury may, for cash management purposes relating to the corporation for public deposits account or when an intervention in terms of section 100 of the Constitution is taking place, on such conditions as it may

determine, advance funds to a province in respect of its equitable share or a portion of it which has not yet fallen due for transfer in accordance with the payment schedule.

(d) Any advances in terms of paragraph (c) must be set off against transfers to the province which would otherwise become due in terms of that payment schedule.

(2) (a) The National Treasury determines the payment schedule for the transfer of a municipality's equitable share allocation, after consultation with the accounting officer of the national department responsible for local government. 5

(b) Despite paragraph (a), the National Treasury, after consultation with the accounting officer of the national department responsible for local government, may, for cash management purposes in the municipality or when an intervention in terms of section 139 of the Constitution or section 150 of the Municipal Finance Management Act is taking place, on such conditions as it may determine, approve a request or direct that the equitable share or a portion of it which has not yet fallen due for transfer in accordance with the payment schedule, be advanced to a municipality. 10

(c) Any advances in terms of paragraph (b) must be set off against transfers to the municipality which would otherwise become due in terms of the applicable payment schedule. 15

(3) (a) The National Treasury must approve the payment schedules for a Schedule 4, 5, 6 or 8 allocation transferred to a province or municipality.

(b) The transferring national officer of a Schedule 4, 5, 6 or 8 allocation must submit a payment schedule to the National Treasury for approval before 14 April 2009. 20

(c) Prior to the submission of a payment schedule in terms of paragraph (b), the transferring national officer must—

- (i) in relation to a Schedule 4 allocation, consult the relevant receiving officer;
- (ii) in relation to the Gautrain Rapid Rail Link Grant, ensure that the payment schedule— 25

(aa) is consistent with the projected dates for payments to the private party in terms of the public-private partnership agreement entered into by the relevant province in accordance with regulations issued under the Public Finance Management Act; and 30

(bb) reflects the portion of any payments due under the agreement referred to in subparagraph (aa) payable from the allocation; and

- (iii) in relation to a Schedule 5 or 6 allocation, consult the relevant province or municipality.

(4) The transferring national officer of a Schedule 4, 5 or 6 allocation must provide the receiving officer with a copy of the approved payment schedule prior to making the first transfer in accordance therewith. 35

### **Amendment of payment schedule**

35. (1) Subject to subsection (2), a transferring national officer of a Schedule 4, 5 or 6 allocation must, within seven days of the withholding or stopping of an allocation in terms of section 27 or 28, amend a payment schedule as a result of the withholding or stopping of an allocation in terms of this Act and submit the amended payment schedule to the National Treasury, prior to any further transfers being made. 40

(2) The National Treasury may, in the interest of better debt and cash-flow management or to deal with financial mismanagement, slow spending or accelerated spending, amend any payment schedule for an allocation listed in Schedule 2, 3, 4, 5 or 6 on notification to— 45

(a) the accounting officer of a provincial treasury, in the case of a provincial allocation; and

(b) the accounting officer of the national department responsible for local government, in the case of a local government allocation. 50

(3) A payment schedule amended in terms of subsection (1) or (2) must take account of—

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

(4) An amendment of a payment schedule in terms of subsection (2) prevails over any amendment made in terms of subsection (1). 5

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

#### Transfers made in error

36. (1) Despite anything to the contrary contained in any law, the transfer of an allocation to a province, municipality or public entity in error is regarded as not legally due to that province, municipality or public entity, as the case may be. 10

(2) A transfer contemplated in subsection (1) must be recovered, without delay, by the responsible transferring national officer.

(3) Despite subsection (2), the National Treasury may instruct that the recovery contemplated in subsection (2) be effected by set-off against future transfers to the province, municipality or public entity, which would otherwise become due in accordance with a payment schedule. 15

#### Allocations not listed in Schedules

37. (1) An allocation, other than— 20

- (a) a re-allocation referred to in sections 23(7) or 29;
- (b) a revised indicative allocation in respect of a Schedule 7 or 8 grant; or
- (c) the Gautrain Rapid Rail Link Loan referred to in section 33, which is not listed in the Schedules referred to in sections 7 and 8, may only be made in terms of section 6(3). 25

(2) The National Treasury must publish the allocations and frameworks for such allocations in the *Gazette*, prior to the transfer of any funds to a province or municipality.

#### Authorisation of expenditure

38. (1) Despite anything to the contrary contained in any other law, to defray expenditure of an exceptional nature which cannot, without serious prejudice to the public interest, be postponed to a future appropriation of funds— 30

- (a) the Minister may, in accordance with section 16 of the Public Finance Management Act and subject to conditions, make an allocation to a province or municipality from the National Revenue Fund; and
- (b) the MEC for Finance in a province may, in accordance with section 25 of the Public Finance Management Act and subject to conditions, make an allocation to a municipality from the Provincial Revenue Fund. 35

(2) The relevant treasury must publish any allocation and the conditions subject to which the allocations were made, if any, in the *Gazette*.

(3) In addition to what is provided in subsection (1), and despite any contrary provision contained in any other law, the Minister may approve expenditure qualifying for inclusion in an adjustments budget in terms of section 30(2) of the Public Finance Management Act before such an adjustments budget is passed. 40

(4) Expenditure approved in terms of subsection (3) —

- (a) may not exceed the total amount set aside as a contingency reserve in the national annual budget for the current financial year; 45
- (b) is a direct charge against the National Revenue Fund; and
- (c) must be included either in the next national adjustments budget or in other appropriation legislation tabled in the National Assembly for the financial year in which the expenditure is authorised. 50

(5) An approval granted by the Minister in respect of money to be appropriated for expenditure already announced by the Minister during the tabling of the annual budget, may be made subject to conditions.

(6) The application of this section may be regulated by regulation or treasury instruction.

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### Implementation of re-demarcations of provincial and municipal boundaries

39. (1) (a) Despite any conflicting provisions contained in legislation which re-demarcates provincial boundaries and addresses associated matters, a province (the releasing province) from which a particular area is relocated at the commencement of the legislation effecting the re-demarcation of provincial boundaries, must continue to spend its allocations for the 2009/10 financial year made in terms of this Act in that particular area, as if that area was not reallocated to another province (the receiving province), unless the affected provinces have entered into an implementation protocol or any other agreement that ensures that the relocated area is not negatively affected.

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(b) The transferring national officer of an allocation made in terms of this Act and the provincial treasury of the receiving province must monitor that the releasing province complies with paragraph (a).

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(c) The provincial treasury of the releasing province must, at the request of the transferring national officer, the receiving province or the National Treasury, demonstrate compliance with paragraph (a).

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(2) (a) Sections 27 and 28, with the necessary changes, apply where a releasing province fails to comply with subsection (1)(a) or (c) in respect of a Schedule 4, 5 or 6 allocation.

(b) The National Treasury may, where it stops an allocation in terms of paragraph (a), after consultation with the transferring national officer, determine that a portion of the allocation be reallocated to the receiving province.

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(3) The National Treasury may, where a releasing province fails to comply with subsection (1)(a) or (c), after complying with the provisions of section 216(3) of the Constitution, reallocate a portion of the releasing province's equitable share allocation referred to in section 4 to the receiving province.

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(4) (a) The allocations referred to in sections 4(2) and 7(2) are subject to adjustments necessitated by the implementation of the legislation which re-demarcates provincial boundaries.

(b) The transferring national officer of a Schedule 4, 5 or 6 allocation must, by 15 September 2009, inform the National Treasury of any adjustments to the allocations referred to in section 7(2) that must be reflected in the Division of Revenue Act for the next financial year.

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(5) (a) A category C municipality (the releasing municipality) from which a particular area or a category B municipality is transferred at the commencement of legislation which re-demarcates municipal boundaries and addresses associated matters, must continue to spend its allocations for the 2009/10 financial year made in terms of this Act in that particular area or category B municipality, as if that area was not transferred to another category C municipality (the receiving municipality), unless the affected municipalities have entered into an agreement that ensures that the relocated area or category B municipality is not negatively affected.

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(b) The transferring national officer of an allocation made in terms of this Act and the receiving municipality must monitor that the releasing municipality complies with paragraph (a);

(c) The releasing municipality must, at the request of the transferring national officer, the receiving municipality or the National Treasury, demonstrate compliance with paragraph (a).

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(6) (a) The provisions of sections 27 and 28, with the necessary changes, apply where a releasing municipality fails to comply with subsection (5)(a) or (c) in respect of a Schedule 4, 6 or 7 allocation.

(b) The National Treasury may, where it stops an allocation in terms of paragraph (a), after consultation with the transferring national officer, determine that a portion of the allocation be reallocated to the receiving municipality.

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(7) The National Treasury may, where a releasing municipality fails to comply with

subsection (5)(a) or (c), reallocate a portion of the releasing municipality's equitable share allocation referred to in section 5 to the receiving municipality.

(8) (a) The allocations referred to in sections 5(2) and 8(2) are subject to adjustments necessitated by the implementation of the legislation which re-demarcates the municipal boundaries.

(b) The transferring national officer of a Schedule 4, 6 or 7 allocation must, by 15 September 2009, inform the National Treasury of any adjustments to the allocations referred to in section 8(2) that must be reflected in the Division of Revenue Act for the next financial year.

#### **Preparations for next financial year and 2011/12 financial year**

**40.** (1) (a) The receiving officer of an Infrastructure Grant to Provinces must, by 30 June 2009, submit detailed infrastructure plans in a format determined by the National Treasury, to the provincial treasury.

(b) The infrastructure plans must indicate the prioritised projects to be funded from the allocations for the next financial year and the 2011/12 financial year, as set out in column B of Schedule 4.

(c) The provincial treasury must—

(i) review the infrastructure plans of all receiving officers, and must assess the extent to which those plans are aligned to the Integrated Development Plan of each affected municipality, and submit the integrated plans to the National Treasury by 28 August 2009, together with the provincial budget submission;

(ii) ensure that the infrastructure budgets of the receiving departments include an allocation for project design and the initiation of procurement for projects to be implemented in the next financial year and the 2011/12 financial year, and that infrastructure budgets are aligned with cash flow requirements of the planned projects in a given year; and

(iii) ensure that the infrastructure budgets of the receiving departments make adequate provision for operations and maintenance associated with newly constructed or upgraded infrastructure.

(2) The receiving officer of a Municipal Infrastructure Grant (Cities) must, by 30 October 2009, submit an infrastructure performance framework referred to in section 15(2)(b) to the National Treasury and the transferring national officer for the next financial year and the 2011/12 financial year.

(3) (a) The receiving officer of a Municipal Infrastructure Grant must, by 30 October 2009, submit a detailed infrastructure plan to the transferring national officer for the next financial year and the 2011/12 financial year.

(b) The infrastructure plan referred to in paragraph (a) must address those matters and be in a format determined by the transferring national officer with the concurrence of the National Treasury.

(4) (a) The receiving officer of an Integrated Housing and Human Settlement Development allocation must, using the envisaged conditional allocations to that province for the next financial year and the 2011/12 financial year as set out in Column B of Schedule 5, by 1 October 2009—

(i) agree on the provisional allocations and the projects to be funded from the allocations in the next financial year and the 2010/11 financial year with each municipality identified by the transferring national officer in consultation with the National Treasury; and

(ii) submit to the transferring national officer—

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

(bb) the prioritised projects referred to in subparagraph (i), listed per municipality, to be funded from the allocations for the next financial year and the 2011/12 financial year; and

- (cc) a housing development plan indicating how the projects referred to in subparagraph (i) give effect to the Integrated Development Plan of each municipality;
- (b) The National Treasury may identify the municipalities referred to in paragraph (a)(i) if the transferring national officer has not done so by 1 August 2009. 5
- (c) Where a municipality and a receiving officer cannot agree on the allocations and projects referred to in subsection (4)(a), the receiving officer must request the transferring national officer to facilitate agreement.
- (d) The transferring national officer must take all necessary steps to facilitate agreement as soon as possible, but no later than 60 days after receiving a request. 10
- (e) Any proposed amendment or adjustment of the allocations published in terms of section 43 must be agreed with the relevant municipality, the transferring national officer and the National Treasury prior to the submission of the allocations referred to in paragraph (a)(ii).
- (5) (a) A category C municipality that receives an equitable share, a conditional allocation, or both, in terms of this Act must, using the envisaged conditional allocations to that municipality for the next financial year and the 2011/12 financial year as set out in Column B of the Schedules, by 1 October 2009— 15
- (i) agree the provisional allocations and the projects to be funded from those allocations in the next financial year and the 2011/12 financial year with each category B municipality within the category C municipality's area of jurisdiction; and 20
- (ii) submit to the transferring national officer—
- (aa) the provisional allocations referred to in subparagraph (i); and
- (bb) the prioritised projects referred to in subparagraph (i) listed per municipality to be funded from the allocations for the next financial year and the 2011/12 financial year. 25
- (b) Where a category C municipality and a category B municipality cannot agree on the allocations and projects referred to in paragraph (a), the category C municipality must request the relevant transferring national officer to facilitate agreement. 30
- (c) The transferring national officer must take all necessary steps to facilitate agreement as soon as possible, but no later than 60 days after receiving a request.
- (d) Any proposed amendment or adjustment of the allocations published in terms of section 43(3)(b) must be agreed with the relevant category B municipality, transferring national officer and the National Treasury, prior to the submission of the allocations referred to in paragraph (a)(ii). 35
- (e) Should agreement not be reached between the category C municipality and the category B municipality on the provisional allocations and projects referred to in paragraph (a) prior to 1 October 2009, the National Treasury may proceed to determine the provisional allocations and provide those provisional allocations to the municipalities concerned and the transferring national officer. 40
- (6) (a) The transferring national officer of a conditional allocation, using the envisaged conditional allocations for the next financial year and the 2011/12 financial year as set out in Column B of the Schedules to this Act, must, by 31 July 2009 submit to the National Treasury for approval— 45
- (i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the next financial year;
- (ii) any amendments to the envisaged allocations for each province or municipality set out in Column B of the Schedules in respect of existing conditional allocations; and 50
- (iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii) in the format to be determined by the National Treasury.
- (b) Any proposed amendment or adjustment of the allocation criteria of an existing conditional allocation from the financial year to the next financial year must be agreed

with the National Treasury prior to the submission of the provisional allocations and draft frameworks referred to in paragraph (a)(ii) and (iii).

(c) The National Treasury may, if the transferring national officer fails to comply with paragraph (a) by 31 July 2009, determine—

- (i) the provisional allocations in paragraph (a)(i); 5
- (ii) any amendments to the envisaged allocations contemplated in paragraph (a)(ii); and
- (iii) the draft frameworks for the allocations referred to in paragraph (a)(iii), and submit that information to the relevant provinces or municipalities.

(d) (i) The final allocations based on the provisional allocations referred to in paragraph (a)(i) and (ii) must be submitted to the National Treasury by 7 December 2009. 10

(ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 7 December 2009, the National Treasury may determine the appropriate allocations, taking into consideration the envisaged allocations for the next financial year. 15

(7) The National Treasury may, in preparation for the next financial year, instruct transferring national officers, receiving officers and municipalities to submit to it such plans and information for any conditional allocation as it may determine at specified times prior to the start of the next financial year. 20

### **Expenditure prior to commencement of Division of Revenue Act, 2010**

41. Despite sections 3(2), 7(2) and 8(2), if the annual Division of Revenue Act for the next financial year has not commenced before or on 1 April 2010, the National Treasury may determine that an amount not exceeding 45 per cent of the total amount of each allocation made in terms of sections 3(1), 7(1) and 8(1) be transferred to the relevant province or municipality as a direct charge against the National Revenue Fund. 25

## **CHAPTER 5**

### **DUTIES OF MUNICIPALITIES, PROVINCIAL TREASURIES AND NATIONAL TREASURY**

#### **Duties of municipalities** 30

42. (1) (a) In addition to the requirements of the Municipal Finance Management Act, the accounting officer of a category C municipality must, no later than 14 April 2009, submit to the National Treasury and all category B municipalities within that municipality's area of jurisdiction, the budget, as tabled in accordance with section 16 of the Municipal Finance Management Act, for the 2009/10 municipal financial year, and the two following municipal financial years. 35

(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. 40

(2) A category C municipality that is providing a municipal service must, before implementing any capital project for water, electricity, roads or any other municipal service, consult the category B municipalities within whose area of jurisdiction the project will be implemented, and agree in writing which municipality is responsible for the operational costs and the collection of user fees. 45

(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, irrespective of the fact that—

- (a) the category C municipality retains the power or function in terms of the Municipal Structures Act; and 50

- (b) a service delivery agreement for the provision of services by the category B municipality on behalf of the category C municipality has not been concluded.
- (4) A category B municipality which is not authorised to perform a function in terms of the Municipal Structures Act may not extend the scope or type of services that it currently provides, without—
- (a) entering into a service delivery agreement with the category C municipality which is authorised to perform the function in terms of the Municipal Structures Act; or
  - (b) obtaining the legal authorisation to perform the function in terms of the Municipal Structures Act.
- (5) (a) A category C municipality and a category B municipality must, before the commencement of a municipal 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.
- (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 contemplated in subsection (2); or
  - (iii) submit a payment schedule in accordance with subsection (5).
- (b) Sections 27(3) and 28(3) and (4) of this Act and section 216 of the Constitution apply, with the necessary changes, to the withholding and stopping of an allocation in accordance with paragraph (a).
- (c) The National Treasury may, where it stops an allocation in terms of this section, after consultation with the transferring national officer, determine that a portion of the allocation that will not be spent be reallocated to one or more municipalities, on condition that the allocation will be spent in the financial year or the next 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 of provincial treasuries

- 43.** (1) The provincial treasury must reflect Schedule 5 allocations separately in the province's appropriation Bill or a schedule to its appropriation Bill.
- (2) (a) The provincial treasury must, on the same day that its budget is tabled in the provincial legislature, or a later date approved by the National Treasury, but not later than 14 April 2009, publish the following 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;
  - (ii) the indicative allocation to be made per school in the province;
  - (iii) the indicative portion of the Integrated Housing and Human Settlement Development allocation to each municipality;
  - (iv) the indicative allocation to any national or provincial public entity for the implementation of a programme funded by a Schedule 5 allocation on behalf of a province or for assistance provided to the province in implementing such a programme;
  - (v) the envisaged division of the allocation contemplated in subparagraphs (i)-(iv), in respect of each municipality and school, for the next financial year and the 2011/12 financial year;
  - (vi) the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs; and

(vii) the budget of each hospital in a format determined by the National Treasury.

(b) The allocations and budgets referred to in paragraph (a) must be deemed to be final if the legislature passes the appropriation Bill without any amendments.

(c) In the event that the legislature amends the appropriation Bill, the accounting officer of the provincial treasury must publish amended allocations and budgets in the *Gazette* within 14 days of the legislature passing the appropriation Bill. 5

(3) (a) Despite anything to the contrary contained in any law, 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 (1) or (2). 10

(b) The amended allocations and allocations referred to in paragraph (a) must be included in the province's budget documents that are submitted with an adjustment appropriation Bill to its legislature.

(c) The provisions of subsection (2), with the necessary changes, apply in respect of allocations referred to in paragraph (b). 15

(4) Where a function for which a province receives a Schedule 5 allocation is assigned to a municipality during a financial year and the province has not appropriated funds to that municipality for the performance of that function, the province must transfer the allocation to the municipality in terms of section 226(3) of the Constitution as a direct charge against that province's Revenue Fund and must inform the National Treasury of the transfer. 20

(5) (a) A provincial treasury must, as part of its consolidated monthly report in terms of section 32 of the Public Finance Management Act, in the format determined by the National Treasury, report on—

- (i) actual transfers received by the province from national departments; 25
- (ii) actual expenditure on such allocations, excluding Schedule 4 allocations, up to the end of that month; and
- (iii) actual transfers made by the province to municipalities, and actual expenditure by municipalities on such allocations.

(b) The report contemplated in paragraph (a) must include reports for each quarter, and be in the format and include the information as may be determined by the National Treasury. 30

(6) A provincial treasury must—

(a) ensure—

- (i) that a payment schedule is agreed between each provincial department and receiving institution referred to in subsection (2)(a); and 35
- (ii) that transfers are made in accordance therewith.

(b) submit the payment schedules to the National Treasury within 14 days of the commencement of the financial year.

#### **Duties of National Treasury**

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

(2) The National Treasury must, together with the monthly report contemplated in section 32(2) of the Public Finance Management Act, publish a report on actual transfers of all allocations listed in the Schedules referred to in sections 7 and 8 or made in terms of section 37. 45

(3) The National Treasury may, in any report it publishes that aggregates reports published by provincial treasuries contemplated in section 71(7) of the Municipal Finance Management Act, and in any report in respect of municipal finances, include a report on the equitable share and conditional allocations provided for in this Act. 50

**CHAPTER 6****GENERAL****Allocations by public entities to provinces or municipalities**

45. The accounting officer of a provincial department or municipality that receives funds from a public entity as a grant, sponsorship or donation must disclose in its financial statements the purpose and amount of each such grant, sponsorship or donation received. 5

**Liability for costs incurred in violation of principles of co-operative governance and intergovernmental relations**

46. (1) An organ of state involved in an intergovernmental dispute regarding any provision of this Act or any division of revenue matter or allocation must, before approaching a court to resolve such dispute, make every effort to settle the dispute with the other organ of state concerned, including exhausting all mechanisms provided for the settlement of disputes in relevant legislation. 15

(2) In the event that a dispute is referred back by a court in accordance with section 41(4) of the Constitution, due to the court not being satisfied that the organ of state approaching the court has complied with subsection (1), the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful. 15

(3) The amount of any such fruitless and wasteful expenditure must, in terms of a prescribed procedure, be recovered without delay from the person who caused the organ of state not to comply with the requirements of subsection (1). 20

**Unauthorised and irregular expenditure**

47. (1) The following transfers constitute unauthorised expenditure in terms of the Public Finance Management Act and the Municipal Finance Management Act, as the case may be, where relevant: 25

- (a) a transfer prohibited in terms of section 26(2) of this Act; or
- (b) a transfer by a transferring national officer to a bank account of a province or municipality that is not—
  - (i) the primary bank account;
  - (ii) in respect of provinces, a corporation for public deposits account; 30
  - (iii) in respect of the Gautrain Rapid Rail Link Grant, the account referred to in section 17(2); or
  - (iv) in respect of the Gautrain Rapid Rail Link Loan, the account designated in terms of the Loan Agreement. 35

(2) Any transfer made or spending of an allocation in contravention of this Act constitutes irregular expenditure in terms of the Public Finance Management Act and the Municipal Finance Management Act. 35

**Financial misconduct**

48. (1) Despite anything to the contrary contained in any law, any serious or persistent non-compliance with a provision of this Act, and in particular, any non-compliance with section 40, constitutes financial misconduct. 40

(2) Section 84 of the Public Finance Management Act and section 171(4) of the Municipal Finance Management Act apply in respect of financial misconduct in terms of subsection (1).

**Delegations and assignments 45**

49. (1) The Minister may, in writing, delegate any of the powers entrusted to the National Treasury in terms of this Act and assign any of the duties imposed on the National Treasury in terms of this Act, to an official of the National Treasury.

(2) A delegation or assignment in terms of subsection (1) to an official of the National Treasury— 50

- (a) is subject to any limitations or conditions that the Minister may impose;
- (b) may authorise that official to subdelegate, in writing, the delegated power or assigned duty to another National Treasury official; and
- (c) does not divest the National Treasury of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty. 5

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

### Exemptions

50. (1) The National Treasury may, on written application by a transferring national officer, exempt such officer in writing from complying with a provision of this Act. 10

(2) Any exemption granted in terms of subsection (1) must set out the period and conditions, if any, to which it is subject and must be published in the *Gazette*.

### Regulations

51. The Minister may, by notice in the *Gazette*, make regulations regarding— 15

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

### Repeal of laws 20

52. (1) Subject to subsection (2), the Division of Revenue Act, 2008 (Act No. 2 of 2008), is hereby repealed.

(2) The repeal of the Division of Revenue Act, 2008 (Act No. 2 of 2008), does not affect any duty or obligation set out in that Act, the execution of which is still outstanding. 25

### Short title and commencement

53. This Act is called the Division of Revenue Act, 2009, and takes effect on 1 April 2009 or the date of publication thereof by the President 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           |                    |
|-------------------------|-----------------------|--------------------|--------------------|
|                         | 2009/10<br>Allocation | Forward Estimates  |                    |
|                         |                       | 2010/11            | 2011/12            |
|                         | <b>R'000</b>          | <b>R'000</b>       | <b>R'000</b>       |
| National <sup>1,2</sup> | 483 665 383           | 509 416 140        | 544 146 880        |
| Provincial              | 231 050 881           | 253 670 492        | 272 934 054        |
| Local                   | 23 846 502            | 29 267 706         | 31 889 901         |
| <b>TOTAL</b>            | <b>738 562 766</b>    | <b>792 354 338</b> | <b>848 970 835</b> |

1. National share includes conditional allocations to provincial and local spheres, general fuel levy sharing with metropolitan municipalities, debt service cost and the contingency reserve.
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           |                    |
|---------------|-----------------------|--------------------|--------------------|
|               | 2009/10<br>Allocation | Forward Estimates  |                    |
|               |                       | 2010/11            | 2011/12            |
|               | <b>R'000</b>          | <b>R'000</b>       | <b>R'000</b>       |
| Eastern Cape  | 35 940 398            | 38 983 317         | 41 431 044         |
| Free State    | 14 236 280            | 15 466 344         | 16 465 163         |
| Gauteng       | 38 896 845            | 43 336 279         | 47 305 421         |
| KwaZulu-Natal | 49 989 762            | 54 742 454         | 58 748 345         |
| Limpopo       | 29 861 344            | 32 567 740         | 34 806 606         |
| Mpumalanga    | 19 005 445            | 20 819 407         | 22 350 564         |
| Northern Cape | 6 192 507             | 6 801 249          | 7 320 267          |
| North West    | 16 121 174            | 17 813 857         | 19 290 052         |
| Western Cape  | 20 807 126            | 23 139 845         | 25 216 592         |
| <b>TOTAL</b>  | <b>231 050 881</b>    | <b>253 670 492</b> | <b>272 934 054</b> |

## SCHEDULE 3

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

| Number Municipality                       |       |                                  | National Financial Year |                   |                  |
|-------------------------------------------|-------|----------------------------------|-------------------------|-------------------|------------------|
|                                           |       |                                  | Column A                | Column B          |                  |
|                                           |       |                                  | 2009/10<br>Allocation   | Forward Estimates |                  |
|                                           |       |                                  |                         | 2010/11           | 2011/12          |
|                                           |       |                                  | R'000                   | R'000             | R'000            |
| <b>EASTERN CAPE</b>                       |       |                                  |                         |                   |                  |
| A                                         | NMA   | Nelson Mandela                   | 456 625                 | 579 518           | 636 311          |
| B                                         | EC101 | Camdeboo                         | 23 014                  | 28 512            | 31 135           |
| B                                         | EC102 | Blue Crane Route                 | 24 450                  | 30 271            | 33 049           |
| B                                         | EC103 | Ikwezi                           | 9 111                   | 11 236            | 12 260           |
| B                                         | EC104 | Makana                           | 41 807                  | 51 979            | 56 819           |
| B                                         | EC105 | Ndlambe                          | 34 983                  | 43 437            | 47 462           |
| B                                         | EC106 | Sundays River Valley             | 20 232                  | 24 992            | 27 275           |
| B                                         | EC107 | Baviaans                         | 9 535                   | 11 764            | 12 836           |
| B                                         | EC108 | Kouga                            | 26 991                  | 33 255            | 36 616           |
| B                                         | EC109 | Koukamma                         | 17 875                  | 22 118            | 24 146           |
| C                                         | DC10  | Cacadu District Municipality     | 63 569                  | 68 769            | 72 080           |
| <b>Total: Cacadu Municipalities</b>       |       |                                  | <b>271 569</b>          | <b>326 333</b>    | <b>353 679</b>   |
| B                                         | EC121 | Mbhashe                          | 61 253                  | 75 599            | 82 488           |
| B                                         | EC122 | Mnquma                           | 88 519                  | 109 454           | 119 467          |
| B                                         | EC123 | Great Kei                        | 18 944                  | 23 419            | 25 558           |
| B                                         | EC124 | Amahlathi                        | 54 635                  | 67 538            | 73 704           |
| B                                         | EC125 | Buffalo City                     | 392 875                 | 492 572           | 545 235          |
| B                                         | EC126 | Ngqushwa                         | 37 180                  | 45 956            | 50 151           |
| B                                         | EC127 | Nkonkobe                         | 57 125                  | 70 637            | 77 092           |
| B                                         | EC128 | Nxuba                            | 12 780                  | 15 805            | 17 251           |
| C                                         | DC12  | Amatole District Municipality    | 401 480                 | 473 073           | 497 259          |
| <b>Total: Amatole Municipalities</b>      |       |                                  | <b>1 124 791</b>        | <b>1 374 054</b>  | <b>1 488 206</b> |
| B                                         | EC131 | Inxuba Yethemba                  | 25 732                  | 31 886            | 34 817           |
| B                                         | EC132 | Tsolwana                         | 15 020                  | 18 509            | 20 189           |
| B                                         | EC133 | Inkwanca                         | 10 639                  | 13 131            | 14 327           |
| B                                         | EC134 | Lukhanji                         | 68 291                  | 84 457            | 92 182           |
| B                                         | EC135 | Intsika Yethu                    | 54 631                  | 67 357            | 73 479           |
| B                                         | EC136 | Emalahleni                       | 40 449                  | 49 912            | 54 455           |
| B                                         | EC137 | Engcobo                          | 37 019                  | 45 691            | 49 854           |
| B                                         | EC138 | Sakhisizwe                       | 21 399                  | 26 469            | 28 890           |
| C                                         | DC13  | Chris Hani District Municipality | 223 806                 | 275 094           | 300 385          |
| <b>Total: Chris Hani Municipalities</b>   |       |                                  | <b>496 988</b>          | <b>612 505</b>    | <b>668 578</b>   |
| B                                         | EC141 | Elundini                         | 39 444                  | 48 634            | 53 058           |
| B                                         | EC142 | Senqu                            | 52 274                  | 64 668            | 70 581           |
| B                                         | EC143 | Maletswai                        | 13 908                  | 17 174            | 18 742           |
| B                                         | EC144 | Gariep                           | 15 083                  | 18 681            | 20 396           |
| C                                         | DC14  | Ukhahlamba District Municipality | 100 602                 | 122 888           | 134 158          |
| <b>Total: Ukhahlamba Municipalities</b>   |       |                                  | <b>221 312</b>          | <b>272 046</b>    | <b>296 936</b>   |
| B                                         | EC151 | Mbizana                          | 59 746                  | 73 660            | 80 355           |
| B                                         | EC152 | Ntabankulu                       | 33 103                  | 40 791            | 44 497           |
| B                                         | EC153 | Ngquza Hill                      | 57 934                  | 71 450            | 77 952           |
| B                                         | EC154 | Port St Johns                    | 35 278                  | 43 472            | 47 421           |
| B                                         | EC155 | Nyandeni                         | 69 802                  | 86 232            | 94 100           |
| B                                         | EC156 | Mhlontlo                         | 53 515                  | 66 089            | 72 116           |
| B                                         | EC157 | King Sabata Dalindyebo           | 100 474                 | 125 001           | 136 577          |
| C                                         | DC15  | O.R. Tambo District Municipality | 324 580                 | 396 607           | 433 096          |
| <b>Total: O.R. Tambo Municipalities</b>   |       |                                  | <b>734 433</b>          | <b>903 301</b>    | <b>986 113</b>   |
| B                                         | EC442 | Umtzimvubu                       | 56 261                  | 69 453            | 75 784           |
| B                                         | EC441 | Matatiele                        | 56 549                  | 69 808            | 76 174           |
| C                                         | DC44  | Alfred Nzo District Municipality | 99 863                  | 122 097           | 133 290          |
| <b>Total: Alfred Nzo Municipalities</b>   |       |                                  | <b>212 672</b>          | <b>261 358</b>    | <b>285 248</b>   |
| <b>Total: Eastern Cape Municipalities</b> |       |                                  | <b>3 518 390</b>        | <b>4 329 116</b>  | <b>4 715 072</b> |

## SCHEDULE 3

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

| Number Municipality                             |       |                                          | National Financial Year |                                      |
|-------------------------------------------------|-------|------------------------------------------|-------------------------|--------------------------------------|
|                                                 |       |                                          | Column A                | Column B                             |
|                                                 |       |                                          | 2009/10<br>Allocation   | Forward Estimates<br>2010/11 2011/12 |
| <b>FREE STATE</b>                               |       |                                          |                         |                                      |
| B                                               | FS161 | Letsemeng                                | 31 915                  | 39 535 43 166                        |
| B                                               | FS162 | Kopanong                                 | 57 098                  | 70 795 77 307                        |
| B                                               | FS163 | Mohokare                                 | 32 087                  | 39 750 43 403                        |
| C                                               | DC16  | Xhariep District Municipality            | 11 557                  | 13 128 13 992                        |
| <b>Total: Xhariep Municipalities</b>            |       |                                          | <b>132 656</b>          | <b>163 209 177 868</b>               |
| B                                               | FS171 | Naledi                                   | 23 469                  | 29 068 31 737                        |
| B                                               | FS172 | Mangaung                                 | 384 373                 | 481 570 533 031                      |
| B                                               | FS173 | Mantsopa                                 | 42 289                  | 52 423 57 249                        |
| C                                               | DC17  | Motheo District Municipality             | 142 772                 | 151 579 139 253                      |
| <b>Total: Motheo Municipalities</b>             |       |                                          | <b>592 904</b>          | <b>714 639 761 269</b>               |
| B                                               | FS181 | Masilonyana                              | 51 953                  | 64 372 70 289                        |
| B                                               | FS182 | Tokologo                                 | 27 147                  | 33 594 36 673                        |
| B                                               | FS183 | Tswelopele                               | 38 340                  | 47 493 51 855                        |
| B                                               | FS184 | Matjhabeng                               | 278 382                 | 348 025 380 804                      |
| B                                               | FS185 | Nala                                     | 87 860                  | 108 945 118 975                      |
| C                                               | DC18  | Lejweleputswa District Municipality      | 83 578                  | 90 250 94 499                        |
| <b>Total: Lejweleputswa Municipalities</b>      |       |                                          | <b>567 260</b>          | <b>692 679 753 094</b>               |
| B                                               | FS191 | Setsoto                                  | 105 206                 | 130 421 142 422                      |
| B                                               | FS192 | Dihlabeng                                | 80 146                  | 99 843 109 194                       |
| B                                               | FS193 | Nketoana                                 | 48 893                  | 60 584 66 154                        |
| B                                               | FS194 | Maluti-a-Phofung                         | 208 757                 | 259 702 283 804                      |
| B                                               | FS195 | Phumelela                                | 34 749                  | 43 021 46 968                        |
| C                                               | DC19  | Thabo Mofutsanyana District Municipality | 53 417                  | 59 196 62 511                        |
| <b>Total: Thabo Mofutsanyana Municipalities</b> |       |                                          | <b>531 167</b>          | <b>652 767 711 053</b>               |
| B                                               | FS201 | Moghaka                                  | 106 449                 | 131 969 144 121                      |
| B                                               | FS203 | Ngwathe                                  | 99 420                  | 123 251 134 598                      |
| B                                               | FS204 | Metsimaholo                              | 61 351                  | 77 036 84 388                        |
| B                                               | FS205 | Mafube                                   | 48 454                  | 60 026 65 541                        |
| C                                               | DC20  | Fezile Dabi District Municipality        | 116 094                 | 122 511 127 284                      |
| <b>Total: Fezile Dabi Municipalities</b>        |       |                                          | <b>431 766</b>          | <b>514 792 555 933</b>               |
| <b>Total: Free State Municipalities</b>         |       |                                          | <b>2 255 754</b>        | <b>2 738 086 2 959 217</b>           |

## SCHEDULE 3

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

| Number Municipality                     |       |                                  | National Financial Year |                                      |
|-----------------------------------------|-------|----------------------------------|-------------------------|--------------------------------------|
|                                         |       |                                  | Column A                | Column B                             |
|                                         |       |                                  | 2009/10<br>Allocation   | Forward Estimates<br>2010/11 2011/12 |
| <b>GAUTENG</b>                          |       |                                  |                         |                                      |
| A                                       | EKU   | Ekurhuleni                       | 1 099 319               | 1 404 710 1 543 160                  |
| A                                       | TSH   | City of Johannesburg             | 1 234 256               | 1 626 603 1 804 526                  |
| A                                       | JHB   | City of Tshwane                  | 512 149                 | 675 636 747 670                      |
| B                                       | GT461 | Nokeng tsa Taemane               | 22 439                  | 27 999 30 630                        |
| B                                       | GT462 | Kungwini                         | 50 363                  | 63 690 69 936                        |
| C                                       | DC46  | Metsweding District Municipality | 23 617                  | 25 739 27 051                        |
| <b>Total: Metsweding Municipalities</b> |       |                                  | <b>96 419</b>           | <b>117 429 127 617</b>               |
| B                                       | GT421 | Emfuleni                         | 388 199                 | 485 954 531 822                      |
| B                                       | GT422 | Midvaal                          | 28 363                  | 35 906 39 439                        |
| B                                       | GT423 | Lesedi                           | 37 541                  | 46 817 51 216                        |
| C                                       | DC42  | Sedibeng District Municipality   | 201 583                 | 212 437 220 612                      |
| <b>Total: Sedibeng Municipalities</b>   |       |                                  | <b>655 685</b>          | <b>781 114 843 089</b>               |
| B                                       | GT481 | Mogale City                      | 132 729                 | 167 331 183 456                      |
| B                                       | GT482 | Randfontein                      | 56 171                  | 70 747 77 601                        |
| B                                       | GT483 | Westonaria                       | 62 218                  | 77 134 84 223                        |
| C                                       | DC48  | West Rand District Municipality  | 142 585                 | 151 127 157 251                      |
| <b>Total: West Rand Municipalities</b>  |       |                                  | <b>393 703</b>          | <b>466 339 502 531</b>               |
| <b>Total: Gauteng Municipalities</b>    |       |                                  | <b>3 991 530</b>        | <b>5 071 829 5 568 593</b>           |

## SCHEDULE 3

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

| Number Municipality                        |        |                                     | National Financial Year |                                      |
|--------------------------------------------|--------|-------------------------------------|-------------------------|--------------------------------------|
|                                            |        |                                     | Column A                | Column B                             |
|                                            |        |                                     | 2009/10<br>Allocation   | Forward Estimates<br>2010/11 2011/12 |
| <b>KWAZULU-NATAL</b>                       |        |                                     |                         |                                      |
| A                                          | ETH    | eThekweni                           | 1 095 568               | 1 336 019 1 472 018                  |
| B                                          | KZN211 | Vulamehlo                           | 19 326                  | 23 814 25 977                        |
| B                                          | KZN212 | Umdoni                              | 16 484                  | 20 444 22 338                        |
| B                                          | KZN213 | Umzumbe                             | 48 056                  | 59 284 64 679                        |
| B                                          | KZN214 | uMuziwabantu                        | 23 904                  | 29 532 32 229                        |
| B                                          | KZN215 | Ezinqolweni                         | 14 261                  | 17 616 19 223                        |
| B                                          | KZN216 | Hibiscus Coast                      | 53 663                  | 67 774 74 351                        |
| C                                          | DC21   | Ugu District Municipality           | 161 248                 | 195 518 213 473                      |
| <b>Total: Ugu Municipalities</b>           |        |                                     | <b>336 941</b>          | <b>413 982 452 269</b>               |
| B                                          | KZN221 | uMshwathi                           | 32 399                  | 40 030 43 681                        |
| B                                          | KZN222 | uMngeni                             | 19 999                  | 25 415 27 949                        |
| B                                          | KZN223 | Mooi Mpofana                        | 13 106                  | 16 228 17 717                        |
| B                                          | KZN224 | Impendle                            | 12 919                  | 15 941 17 392                        |
| B                                          | KZN225 | Msunduzi                            | 199 824                 | 255 504 284 638                      |
| B                                          | KZN226 | Mkhambathini                        | 16 242                  | 20 028 21 849                        |
| B                                          | KZN227 | Richmond                            | 17 073                  | 21 080 23 002                        |
| C                                          | DC22   | uMgungundlovu District Municipality | 218 249                 | 254 738 264 245                      |
| <b>Total: uMgungundlovu Municipalities</b> |        |                                     | <b>529 810</b>          | <b>648 965 700 471</b>               |
| B                                          | KZN232 | Ennambithi/Ladysmith                | 64 822                  | 80 658 88 183                        |
| B                                          | KZN233 | Indaka                              | 34 737                  | 42 935 46 856                        |
| B                                          | KZN234 | Umtshezi                            | 16 648                  | 20 811 22 786                        |
| B                                          | KZN235 | Okhahlamba                          | 35 045                  | 43 307 47 261                        |
| B                                          | KZN236 | Imbabazane                          | 37 738                  | 46 644 50 901                        |
| C                                          | DC23   | Uthukela District Municipality      | 159 193                 | 193 675 211 480                      |
| <b>Total: Uthukela Municipalities</b>      |        |                                     | <b>348 183</b>          | <b>428 031 467 466</b>               |
| B                                          | KZN241 | Endumeni                            | 15 160                  | 19 045 20 878                        |
| B                                          | KZN242 | Nquthu                              | 37 377                  | 46 137 50 343                        |
| B                                          | KZN244 | Msinga                              | 36 575                  | 45 039 49 126                        |
| B                                          | KZN245 | Umvoti                              | 23 720                  | 29 296 31 971                        |
| C                                          | DC24   | Umzinyathi District Municipality    | 105 793                 | 128 955 140 814                      |
| <b>Total: Umzinyathi Municipalities</b>    |        |                                     | <b>218 625</b>          | <b>268 473 293 132</b>               |
| B                                          | KZN252 | Newcastle                           | 178 204                 | 222 180 242 927                      |
| B                                          | KZN253 | eMadlangeni                         | 7 615                   | 9 352 10 197                         |
| B                                          | KZN254 | Dannhauser                          | 27 230                  | 33 620 36 684                        |
| C                                          | DC25   | Amajuba District Municipality       | 66 487                  | 77 255 84 299                        |
| <b>Total: Amajuba Municipalities</b>       |        |                                     | <b>279 536</b>          | <b>342 407 374 106</b>               |
| B                                          | KZN261 | eDumbe                              | 20 763                  | 25 665 28 011                        |
| B                                          | KZN262 | uPhongolo                           | 34 490                  | 42 663 46 565                        |
| B                                          | KZN263 | Abaqulusi                           | 45 536                  | 56 210 61 329                        |
| B                                          | KZN265 | Nongoma                             | 38 960                  | 48 036 52 403                        |
| B                                          | KZN266 | Ulundi                              | 44 577                  | 54 982 59 989                        |
| C                                          | DC26   | Zululand District Municipality      | 159 047                 | 194 146 211 993                      |
| <b>Total: Zululand Municipalities</b>      |        |                                     | <b>343 372</b>          | <b>421 701 460 290</b>               |

## SCHEDULE 3

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

| Number Municipality                        |        |                                    | National Financial Year |                            |
|--------------------------------------------|--------|------------------------------------|-------------------------|----------------------------|
|                                            |        |                                    | Column A                | Column B                   |
|                                            |        |                                    | 2009/10<br>Allocation   | Forward Estimates          |
|                                            |        |                                    |                         | 2010/11 2011/12            |
| B                                          | KZN271 | Umhlabuyalingana                   | 28 225                  | 34 756 37 910              |
| B                                          | KZN272 | Jozini                             | 38 298                  | 47 196 51 486              |
| B                                          | KZN273 | The Big Five False Bay             | 7 723                   | 9 478 10 332               |
| B                                          | KZN274 | Hlabisa                            | 31 052                  | 38 158 41 604              |
| B                                          | KZN275 | Mtubatuba                          | 9 664                   | 11 941 13 034              |
| C                                          | DC27   | Umkhanyakude District Municipality | 106 085                 | 130 048 142 007            |
| <b>Total: Umkhanyakude Municipalities</b>  |        |                                    | <b>221 045</b>          | <b>271 577 296 374</b>     |
| B                                          | KZN281 | Mbonambi                           | 24 661                  | 30 367 33 118              |
| B                                          | KZN282 | uMhlathuze                         | 111 841                 | 140 698 154 205            |
| B                                          | KZN283 | Ntambanana                         | 11 668                  | 14 332 15 624              |
| B                                          | KZN284 | Umlalazi                           | 46 142                  | 56 884 62 058              |
| B                                          | KZN285 | Mthonjaneni                        | 14 313                  | 17 684 19 300              |
| B                                          | KZN286 | Nkandla                            | 27 118                  | 33 372 36 397              |
| C                                          | DC28   | uThungulu District Municipality    | 216 528                 | 256 570 279 951            |
| <b>Total: uThungulu Municipalities</b>     |        |                                    | <b>452 270</b>          | <b>549 907 600 654</b>     |
| B                                          | KZN291 | Mandeni                            | 39 016                  | 48 229 52 636              |
| B                                          | KZN292 | KwaDukuza                          | 39 868                  | 50 796 55 846              |
| B                                          | KZN293 | Ndwedwe                            | 34 274                  | 42 222 46 054              |
| B                                          | KZN294 | Maphumulo                          | 26 408                  | 32 563 35 525              |
| C                                          | DC29   | iLembe District Municipality       | 145 775                 | 175 065 191 123            |
| <b>Total: iLembe Municipalities</b>        |        |                                    | <b>285 341</b>          | <b>348 876 381 183</b>     |
| B                                          | KZN431 | Ingwe                              | 27 744                  | 34 243 37 362              |
| B                                          | KZN432 | Kwa Sani                           | 6 892                   | 8 501 9 277                |
| B                                          | KZN433 | Greater Kokstad                    | 28 639                  | 35 625 38 936              |
| B                                          | KZN434 | Ubuhlebezwe                        | 27 970                  | 34 493 37 631              |
| B                                          | KZN435 | Umzimkhulu                         | 46 771                  | 57 767 63 035              |
| C                                          | DC43   | Sisonke District Municipality      | 124 778                 | 152 495 166 488            |
| <b>Total: Sisonke Municipalities</b>       |        |                                    | <b>262 794</b>          | <b>323 123 352 730</b>     |
| <b>Total: KwaZulu-Natal Municipalities</b> |        |                                    | <b>4 373 485</b>        | <b>5 353 061 5 850 693</b> |

## SCHEDULE 3

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

| Number                                                   | Municipality                                  | National Financial Year |                   |                  |
|----------------------------------------------------------|-----------------------------------------------|-------------------------|-------------------|------------------|
|                                                          |                                               | Column A                | Column B          |                  |
|                                                          |                                               | 2009/10<br>Allocation   | Forward Estimates |                  |
|                                                          |                                               |                         | 2010/11           | 2011/12          |
| <b>LIMPOPO</b>                                           |                                               |                         |                   |                  |
| B                                                        | LIM473 Makhuduthamaga                         | 84 451                  | 104 379           | 113 904          |
| B                                                        | LIM474 Fetakgomo                              | 26 136                  | 32 179            | 35 096           |
| B                                                        | LIM471 Greater Marble Hall                    | 41 102                  | 50 836            | 55 480           |
| B                                                        | LIM472 Elias Motsoaledi                       | 78 757                  | 97 378            | 106 269          |
| B                                                        | LIM475 Greater Tubatse                        | 74 350                  | 91 888            | 100 280          |
| C                                                        | DC47 Greater Sekhukhune District Municipality | 219 940                 | 268 134           | 292 774          |
| <b>Total: Greater Sekhukhune District Municipalities</b> |                                               | <b>524 736</b>          | <b>644 794</b>    | <b>703 802</b>   |
| B                                                        | LIM331 Greater Giyani                         | 78 723                  | 97 281            | 106 154          |
| B                                                        | LIM332 Greater Letaba                         | 78 967                  | 97 676            | 106 603          |
| B                                                        | LIM333 Greater Tzaneen                        | 121 187                 | 150 776           | 164 719          |
| B                                                        | LIM334 Ba-Phalaborwa                          | 37 516                  | 46 403            | 50 649           |
| B                                                        | LIM335 Maruleng                               | 30 972                  | 38 233            | 41 714           |
| C                                                        | DC33 Mopani District Municipality             | 292 547                 | 355 311           | 387 965          |
| <b>Total: Mopani Municipalities</b>                      |                                               | <b>639 912</b>          | <b>785 678</b>    | <b>857 804</b>   |
| B                                                        | LIM341 Musina                                 | 18 878                  | 23 372            | 25 514           |
| B                                                        | LIM342 Mutale                                 | 23 650                  | 29 139            | 31 784           |
| B                                                        | LIM343 Thulamela                              | 158 199                 | 196 656           | 214 802          |
| B                                                        | LIM344 Makhado                                | 145 224                 | 180 560           | 197 222          |
| C                                                        | DC34 Vhembe District Municipality             | 296 093                 | 362 362           | 395 708          |
| <b>Total: Vhembe Municipalities</b>                      |                                               | <b>642 043</b>          | <b>792 088</b>    | <b>865 030</b>   |
| B                                                        | LIM351 Blouberg                               | 47 239                  | 58 358            | 63 681           |
| B                                                        | LIM352 Aganang                                | 43 526                  | 53 683            | 58 565           |
| B                                                        | LIM353 Molemole                               | 44 890                  | 55 524            | 60 597           |
| B                                                        | LIM354 Polokwane                              | 240 219                 | 299 207           | 327 054          |
| B                                                        | LIM355 Lepelle-Nkumpi                         | 73 707                  | 91 091            | 99 402           |
| C                                                        | DC35 Capricorn District Municipality          | 258 677                 | 311 507           | 339 997          |
| <b>Total: Capricorn Municipalities</b>                   |                                               | <b>708 258</b>          | <b>869 369</b>    | <b>949 296</b>   |
| B                                                        | LIM361 Thabazimbi                             | 35 341                  | 43 839            | 47 887           |
| B                                                        | LIM362 Lephale                                | 56 497                  | 70 041            | 76 490           |
| B                                                        | LIM364 Mookgopong                             | 14 514                  | 17 976            | 19 630           |
| B                                                        | LIM365 Modimolle                              | 35 196                  | 43 664            | 47 694           |
| B                                                        | LIM366 Bela Bela                              | 27 857                  | 34 613            | 37 829           |
| B                                                        | LIM367 Mogalakwena                            | 151 839                 | 188 739           | 206 193          |
| C                                                        | DC36 Waterberg District Municipality          | 78 598                  | 84 623            | 88 519           |
| <b>Total: Waterberg Municipalities</b>                   |                                               | <b>399 842</b>          | <b>483 496</b>    | <b>524 243</b>   |
| <b>Total: Limpopo Municipalities</b>                     |                                               | <b>2 914 792</b>        | <b>3 575 426</b>  | <b>3 900 174</b> |

## SCHEDULE 3

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

| Number Municipality                       |       |                                    | National Financial Year |                            |
|-------------------------------------------|-------|------------------------------------|-------------------------|----------------------------|
|                                           |       |                                    | Column A                | Column B                   |
|                                           |       |                                    | 2009/10 Allocation      | Forward Estimates          |
|                                           |       |                                    |                         | 2010/11 2011/12            |
| <b>MPUMALANGA</b>                         |       |                                    |                         |                            |
| B                                         | MP301 | Albert Luthuli                     | 93 696                  | 115 968 126 602            |
| B                                         | MP302 | Msukaligwa                         | 65 007                  | 80 600 88 035              |
| B                                         | MP303 | Mkhondo                            | 57 623                  | 71 315 77 858              |
| B                                         | MP304 | Pixley Ka Seme                     | 52 359                  | 64 859 70 818              |
| B                                         | MP305 | Lekwa                              | 49 169                  | 61 026 66 673              |
| B                                         | MP306 | Dipaleseng                         | 27 759                  | 34 374 37 533              |
| B                                         | MP307 | Govan Mbeki                        | 121 570                 | 152 753 167 362            |
| C                                         | DC30  | Gert Sibande District Municipality | 226 184                 | 237 366 246 286            |
| <b>Total: Gert Sibande Municipalities</b> |       |                                    | <b>693 368</b>          | <b>818 260 881 167</b>     |
| B                                         | MP311 | Delmas                             | 31 595                  | 39 247 42 888              |
| B                                         | MP312 | Emalahleni                         | 113 700                 | 143 084 156 814            |
| B                                         | MP313 | Steve Tshwete                      | 53 235                  | 67 613 74 302              |
| B                                         | MP314 | Emakhazeni                         | 22 224                  | 27 515 30 044              |
| B                                         | MP315 | Thembisile                         | 135 892                 | 168 240 183 657            |
| B                                         | MP316 | Dr JS Moroka                       | 141 939                 | 175 641 191 722            |
| C                                         | DC31  | Nkangala District Municipality     | 268 516                 | 281 412 291 907            |
| <b>Total: Nkangala Municipalities</b>     |       |                                    | <b>767 101</b>          | <b>902 751 971 334</b>     |
| B                                         | MP321 | Thaba Chweu                        | 46 970                  | 58 242 63 608              |
| B                                         | MP322 | Mbombela                           | 193 016                 | 240 616 263 058            |
| B                                         | MP323 | Umjindi                            | 28 855                  | 35 776 39 072              |
| B                                         | MP324 | Nkomazi                            | 154 048                 | 191 348 209 017            |
| B                                         | MP325 | Bushbuckridge                      | 266 721                 | 330 672 361 059            |
| C                                         | DC32  | Ehlanzeni District Municipality    | 153 454                 | 165 094 172 654            |
| <b>Total: Ehlanzeni Municipalities</b>    |       |                                    | <b>843 064</b>          | <b>1 021 749 1 108 467</b> |
|                                           |       |                                    |                         |                            |
| <b>Total: Mpumalanga Municipalities</b>   |       |                                    | <b>2 303 533</b>        | <b>2 742 759 2 960 968</b> |

## SCHEDULE 3

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

| Number                                     | Municipality                            | National Financial Year |                   |                |
|--------------------------------------------|-----------------------------------------|-------------------------|-------------------|----------------|
|                                            |                                         | 2009/10<br>Allocation   | Column B          |                |
|                                            |                                         |                         | Forward Estimates |                |
|                                            |                                         |                         | 2010/11           | 2011/12        |
| <b>NORTHERN CAPE</b>                       |                                         |                         |                   |                |
| B                                          | NC451 Moshaweng                         | 37 385                  | 46 188            | 50 406         |
| B                                          | NC452 Ga-Segonyana                      | 38 014                  | 47 111            | 51 446         |
| B                                          | NC453 Gammagara                         | 12 649                  | 15 722            | 17 185         |
| C                                          | DC45 Kgalagadi District Municipality    | 43 519                  | 48 247            | 50 974         |
| <b>Total: Kgalagadi Municipalities</b>     |                                         | <b>131 568</b>          | <b>157 267</b>    | <b>170 011</b> |
| B                                          | NC061 Richtersveld                      | 7 270                   | 8 978             | 9 801          |
| B                                          | NC062 Nama Khoi                         | 21 375                  | 26 432            | 28 855         |
| B                                          | NC064 Kamiesberg                        | 7 460                   | 9 160             | 9 987          |
| B                                          | NC065 Hantam                            | 12 329                  | 15 234            | 16 628         |
| B                                          | NC066 Karoo Hoogland                    | 8 031                   | 9 860             | 10 749         |
| B                                          | NC067 Khai-Ma                           | 7 572                   | 9 298             | 10 137         |
| C                                          | DC6 Namakwa District Municipality       | 27 068                  | 29 055            | 30 379         |
| <b>Total: Namakwa Municipalities</b>       |                                         | <b>91 105</b>           | <b>108 016</b>    | <b>116 537</b> |
| B                                          | NC071 Ubuntu                            | 11 006                  | 13 592            | 14 834         |
| B                                          | NC072 Umsobomvu                         | 18 589                  | 22 985            | 25 089         |
| B                                          | NC073 Emthanjeni                        | 21 931                  | 27 181            | 29 692         |
| B                                          | NC074 Kareeberg                         | 7 122                   | 8 785             | 9 588          |
| B                                          | NC075 Renosterberg                      | 8 904                   | 10 945            | 11 935         |
| B                                          | NC076 Thembelihle                       | 8 551                   | 10 514            | 11 465         |
| B                                          | NC077 Siyathemba                        | 12 131                  | 15 001            | 16 377         |
| B                                          | NC078 Siyancuma                         | 20 285                  | 25 108            | 27 411         |
| C                                          | DC7 Karoo District Municipality         | 22 939                  | 25 335            | 26 747         |
| <b>Total: Karoo Municipalities</b>         |                                         | <b>131 459</b>          | <b>159 446</b>    | <b>173 138</b> |
| B                                          | NC081 Mier                              | 5 265                   | 6 462             | 7 046          |
| B                                          | NC082 !Kai! Garib                       | 28 109                  | 34 801            | 37 991         |
| B                                          | NC083 //Khara Hais                      | 31 243                  | 39 101            | 42 823         |
| B                                          | NC084 !Kheis                            | 9 322                   | 11 464            | 12 502         |
| B                                          | NC085 Tsantsabane                       | 14 301                  | 17 678            | 19 298         |
| B                                          | NC086 Kgatelopele                       | 9 147                   | 11 280            | 12 306         |
| C                                          | DC8 Siyanda District Municipality       | 39 486                  | 43 086            | 45 290         |
| <b>Total: Siyanda Municipalities</b>       |                                         | <b>136 872</b>          | <b>163 871</b>    | <b>177 255</b> |
| B                                          | NC091 Sol Plaatje                       | 93 127                  | 117 444           | 128 806        |
| B                                          | NC092 Dikgatlong                        | 27 115                  | 33 534            | 36 605         |
| B                                          | NC093 Magareng                          | 17 808                  | 22 025            | 24 042         |
| B                                          | NC094 Phokwane                          | 39 776                  | 49 259            | 53 778         |
| C                                          | DC9 Frances Baard District Municipality | 67 847                  | 75 852            | 82 679         |
| <b>Total: Frances Baard Municipalities</b> |                                         | <b>245 673</b>          | <b>298 112</b>    | <b>325 910</b> |
| <b>Total: Northern Cape Municipalities</b> |                                         | <b>736 677</b>          | <b>886 713</b>    | <b>962 852</b> |

## SCHEDULE 3

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

| Number Municipality                              |       |                                                 | National Financial Year |                                      |
|--------------------------------------------------|-------|-------------------------------------------------|-------------------------|--------------------------------------|
|                                                  |       |                                                 | Column A                | Column B                             |
|                                                  |       |                                                 | 2009/10<br>Allocation   | Forward Estimates<br>2010/11 2011/12 |
| <b>NORTH WEST</b>                                |       |                                                 |                         |                                      |
| B                                                | NW371 | Moretele                                        | 91 015                  | 112 524 122 810                      |
| B                                                | NW372 | Madibeng                                        | 169 609                 | 211 184 230 810                      |
| B                                                | NW373 | Rustenburg                                      | 159 996                 | 200 355 219 285                      |
| B                                                | NW374 | Kgetlengrivier                                  | 25 638                  | 31 731 34 639                        |
| B                                                | NW375 | Moses Kotane                                    | 140 734                 | 174 320 190 315                      |
| C                                                | DC37  | Bojanala Platinum District Municipality         | 210 564                 | 223 605 232 819                      |
| <b>Total: Bojanala Platinum Municipalities</b>   |       |                                                 | <b>797 556</b>          | <b>953 719 1 030 678</b>             |
| B                                                | NW381 | Ratlou                                          | 38 795                  | 47 963 52 341                        |
| B                                                | NW382 | Tswaing                                         | 37 810                  | 46 762 51 036                        |
| B                                                | NW383 | Mafikeng                                        | 75 669                  | 94 194 102 917                       |
| B                                                | NW384 | Ditsobotla                                      | 48 005                  | 59 315 64 722                        |
| B                                                | NW385 | Ramotshere Moiloa                               | 47 298                  | 58 482 63 824                        |
| C                                                | DC38  | Ngaka Modiri Moiloa District Municipality       | 259 788                 | 309 947 338 343                      |
| <b>Total: Ngaka Modiri Moiloa Municipalities</b> |       |                                                 | <b>507 365</b>          | <b>616 662 673 183</b>               |
| B                                                | NW391 | Kagisano                                        | 33 735                  | 41 672 45 470                        |
| B                                                | NW392 | Naledi                                          | 20 560                  | 25 560 27 942                        |
| B                                                | NW393 | Mamusa                                          | 19 204                  | 23 738 25 906                        |
| B                                                | NW394 | Greater Taung                                   | 57 080                  | 70 437 76 847                        |
| B                                                | NW395 | Molopo                                          | 6 838                   | 8 366 9 114                          |
| B                                                | NW396 | Lekwa-Teemane                                   | 17 160                  | 21 225 23 168                        |
| C                                                | DC39  | Dr Ruth Segomotsi Mompati District Municipality | 132 663                 | 161 509 176 320                      |
| <b>Total: Bophirima Municipalities</b>           |       |                                                 | <b>287 239</b>          | <b>352 507 384 767</b>               |
| B                                                | NW401 | Ventersdorp                                     | 27 707                  | 34 305 37 453                        |
| B                                                | NW402 | Tlokwe                                          | 52 835                  | 66 652 73 102                        |
| B                                                | NW403 | City of Matlosana                               | 221 440                 | 276 565 302 504                      |
| B                                                | NW404 | Maquassi Hills                                  | 46 325                  | 57 399 62 674                        |
| B                                                | NW405 | Merafong City                                   | 116 251                 | 144 947 158 422                      |
| C                                                | DC40  | Dr Kenneth Kaunda District Municipality         | 140 787                 | 150 338 156 827                      |
| <b>Total: Southern Municipalities</b>            |       |                                                 | <b>605 344</b>          | <b>730 206 790 982</b>               |
|                                                  |       |                                                 |                         |                                      |
| <b>Total: North West Municipalities</b>          |       |                                                 | <b>2 197 504</b>        | <b>2 653 094 2 879 610</b>           |

## SCHEDULE 3

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

|                                      |              |                                      | National Financial Year |                   |            |
|--------------------------------------|--------------|--------------------------------------|-------------------------|-------------------|------------|
|                                      |              |                                      | Column A                | Column B          |            |
| Number                               | Municipality |                                      | 2009/10<br>Allocation   | Forward Estimates |            |
|                                      |              |                                      |                         | 2010/11           | 2011/12    |
| WESTERN CAPE                         |              |                                      |                         |                   |            |
| A                                    | CPT          | City of Cape Town                    | 609 313                 | 817 886           | 910 454    |
| B                                    | WC011        | Matzikama                            | 21 126                  | 26 285            | 28 732     |
| B                                    | WC012        | Cederberg                            | 16 817                  | 20 905            | 22 853     |
| B                                    | WC013        | Bergervier                           | 14 500                  | 18 088            | 19 793     |
| B                                    | WC014        | Saldanha Bay                         | 20 875                  | 25 415            | 28 050     |
| B                                    | WC015        | Swartland                            | 15 690                  | 19 983            | 21 990     |
| C                                    | DC1          | West Coast District Municipality     | 64 006                  | 68 317            | 71 255     |
| Total: West Coast Municipalities     |              |                                      | 153 015                 | 178 992           | 192 674    |
| B                                    | WC022        | Witzenberg                           | 28 541                  | 35 517            | 38 834     |
| B                                    | WC023        | Drakenstein                          | 44 586                  | 57 117            | 62 882     |
| B                                    | WC024        | Stellenbosch                         | 25 651                  | 32 398            | 35 862     |
| B                                    | WC025        | Breedee Valley                       | 40 544                  | 51 342            | 56 362     |
| B                                    | WC026        | Breedee River Winelands              | 32 673                  | 40 648            | 44 435     |
| C                                    | DC2          | Cape Winelands District Municipality | 185 963                 | 194 870           | 202 162    |
| Total: Cape Winelands Municipalities |              |                                      | 357 958                 | 411 891           | 440 537    |
| B                                    | WC031        | Theewaterskloof                      | 34 242                  | 42 565            | 46 521     |
| B                                    | WC032        | Overstrand                           | 21 988                  | 25 419            | 28 102     |
| B                                    | WC033        | Cape Agulhas                         | 10 324                  | 12 965            | 14 216     |
| B                                    | WC034        | Swellendam                           | 11 918                  | 14 861            | 16 264     |
| C                                    | DC3          | Overberg District Municipality       | 37 187                  | 39 974            | 41 816     |
| Total: Overberg Municipalities       |              |                                      | 115 660                 | 135 784           | 146 918    |
| B                                    | WC041        | Kannaland                            | 11 943                  | 14 836            | 16 219     |
| B                                    | WC042        | Hessequa                             | 16 138                  | 20 366            | 22 363     |
| B                                    | WC043        | Mossel Bay                           | 26 117                  | 32 888            | 36 077     |
| B                                    | WC044        | George                               | 43 471                  | 55 722            | 61 369     |
| B                                    | WC045        | Oudtshoorn                           | 27 757                  | 34 491            | 37 700     |
| B                                    | WC047        | Bitou                                | 14 002                  | 16 648            | 18 360     |
| B                                    | WC048        | Knysna                               | 18 849                  | 20 956            | 23 208     |
| C                                    | DC4          | Eden District Municipality           | 117 863                 | 125 454           | 130 723    |
| Total: Eden Municipalities           |              |                                      | 276 140                 | 321 361           | 346 020    |
| B                                    | WC051        | Laingsburg                           | 5 457                   | 6 709             | 7 319      |
| B                                    | WC052        | Prince Albert                        | 6 300                   | 7 732             | 8 430      |
| B                                    | WC053        | Beaufort West                        | 17 581                  | 21 828            | 23 858     |
| C                                    | DC5          | Central Karoo District Municipality  | 13 414                  | 15 438            | 16 515     |
| Total: Central Karoo Municipalities  |              |                                      | 42 752                  | 51 707            | 56 122     |
|                                      |              |                                      |                         |                   |            |
| Total: Western Cape Municipalities   |              |                                      | 1 554 837               | 1 917 621         | 2 092 724  |
|                                      |              |                                      |                         |                   |            |
| National Total                       |              |                                      | 23 846 502              | 29 267 706        | 31 889 901 |

**SCHEDULE 4**

**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          |                  |
|----------------------------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------|-----------------------|-------------------|------------------|
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             |               | 2009/10<br>Allocation | Forward Estimates |                  |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             |               |                       | 2010/11           | 2011/12          |
| <b>Agriculture<br/>(Vote 23)</b> | Comprehensive Agricultural Support Programme Grant    | To expand the provision of agricultural support services, and promote and facilitate agricultural development by targeting subsistence, emerging and commercial farmers.                                                                                                         | General conditional allocation to provinces | Eastern Cape  | R'000 120 364         | R'000 145 092     | R'000 170 557    |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Free State    | 65 659                | 79 149            | 88 894           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Gauteng       | 33 844                | 40 797            | 43 965           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | KwaZulu-Natal | 117 762               | 141 954           | 160 176          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Limpopo       | 108 483               | 130 771           | 148 123          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Mpumalanga    | 70 892                | 85 456            | 95 691           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Northern Cape | 49 232                | 59 346            | 63 954           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | North West    | 91 518                | 110 319           | 129 485          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Western Cape  | 57 640                | 69 481            | 78 476           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | <b>TOTAL</b>  | <b>715 394</b>        | <b>862 365</b>    | <b>979 321</b>   |
| <b>Health<br/>(Vote 14)</b>      | (a) Health Professions Training and Development Grant | Support provinces to fund costs associated with training of health professionals; development and recruitment of medical specialists in under-served provinces; and support and strengthen undergraduate and post graduate teaching and training processes in health facilities. | Nationally assigned function to provinces   | Eastern Cape  | 151 362               | 160 444           | 170 071          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Free State    | 110 755               | 117 400           | 124 444          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Gauteng       | 614 812               | 651 701           | 690 803          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | KwaZulu-Natal | 222 425               | 235 771           | 249 917          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Limpopo       | 88 759                | 94 085            | 99 730           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Mpumalanga    | 71 839                | 76 149            | 80 718           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Northern Cape | 58 304                | 61 802            | 65 510           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | North West    | 78 608                | 83 324            | 88 323           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Western Cape  | 362 935               | 384 711           | 407 794          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | <b>TOTAL</b>  | <b>1 759 799</b>      | <b>1 865 387</b>  | <b>1 977 310</b> |
|                                  | (b) National Tertiary Services Grant                  | To compensate provinces for the supra-provincial nature of tertiary services provision and spill over effects.                                                                                                                                                                   | Nationally assigned function to provinces   | Eastern Cape  | 509 429               | 557 137           | 588 135          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Free State    | 642 835               | 659 469           | 695 631          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Gauteng       | 2 328 301             | 2 561 154         | 2 703 835        |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | KwaZulu-Natal | 983 948               | 1 102 585         | 1 164 255        |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Limpopo       | 176 871               | 257 314           | 272 409          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Mpumalanga    | 81 410                | 91 879            | 97 025           |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Northern Cape | 173 241               | 225 948           | 238 964          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | North West    | 134 416               | 179 280           | 189 648          |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | Western Cape  | 1 583 991             | 1 763 234         | 1 848 976        |
|                                  |                                                       |                                                                                                                                                                                                                                                                                  |                                             | <b>TOTAL</b>  | <b>6 614 442</b>      | <b>7 398 000</b>  | <b>7 798 878</b> |

**SCHEDULE 4**

**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          |                   |
|---------------------------------------|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------|-----------------------|-------------------|-------------------|
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             |               | 2009/10<br>Allocation | Forward Estimates |                   |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             |               |                       | 2010/11           | 2011/12           |
| <b>National Treasury<br/>(Vote 7)</b> | Infrastructure Grant to Provinces | To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education, roads, health and agriculture; to enhance the application of labour intensive methods in order to maximise job creation and skills development as encapsulated in the EPWP guidelines; and to enhance capacity to deliver infrastructure. | General conditional allocation to provinces | Eastern Cape  | R'000 1 661 391       | R'000 2 028 135   | R'000 2 341 246   |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Free State    | 717 182               | 867 987           | 1 000 756         |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Gauteng       | 770 400               | 936 879           | 1 082 318         |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | KwaZulu-Natal | 1 970 933             | 2 397 899         | 2 740 202         |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Limpopo       | 1 407 445             | 1 753 105         | 2 099 813         |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Mpumalanga    | 771 968               | 973 877           | 1 126 770         |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Northern Cape | 492 388               | 593 564           | 675 819           |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | North West    | 807 577               | 976 571           | 1 122 285         |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Western Cape  | 649 963               | 786 894           | 901 981           |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | <b>TOTAL</b>  | <b>9 249 247</b>      | <b>11 314 911</b> | <b>13 091 190</b> |
| <b>Transport<br/>(Vote 33)</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  | 126 540               | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Free State    | 151 805               | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Gauteng       | 1 403 826             | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | KwaZulu-Natal | 647 396               | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Limpopo       | 174 507               | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Mpumalanga    | 370 650               | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Northern Cape | 22 159                | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | North West    | 41 252                | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Western Cape  | 593 774               | -                 | -                 |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | Unallocated   | -                     | 3 863 033         | 4 153 232         |
|                                       |                                   |                                                                                                                                                                                                                                                                                                                                                                       |                                             | <b>TOTAL</b>  | <b>3 531 909</b>      | <b>3 863 033</b>  | <b>4 153 232</b>  |

## SCHEDULE 4

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

| Vote                                               | Name of allocation                      | Purpose                                                                                                                                 | City                 | Column A              | Column B          |            |
|----------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------|-------------------|------------|
|                                                    |                                         |                                                                                                                                         |                      | 2009/10<br>Allocation | Forward Estimates |            |
|                                                    |                                         |                                                                                                                                         |                      |                       | 2010/11           | 2011/12    |
|                                                    |                                         |                                                                                                                                         |                      | R'000                 | R'000             | R'000      |
| Provincial and<br>Local<br>Government<br>(Vote 29) | Municipal Infrastructure Grant          | To supplement capital finance for basic municipal infrastructure for poor households, micro enterprises and social institutions.        |                      | 11 084 860            | 12 528 884        | 15 068 551 |
|                                                    | <i>of which:</i>                        |                                                                                                                                         |                      | 2 224 349             | 2 604 084         | 3 131 944  |
|                                                    | Municipal Infrastructure Grant (Cities) | Supplements the capital revenues of selected large urban municipalities in order to support their infrastructure investment programmes. | Nelson Mandela       | 156 016               | 182 532           | 219 532    |
|                                                    |                                         |                                                                                                                                         | Ekurhuleni           | 428 253               | 501 395           | 603 030    |
|                                                    |                                         |                                                                                                                                         | City of Johannesburg | 475 257               | 556 450           | 669 245    |
|                                                    |                                         |                                                                                                                                         | City of Tshwane      | 328 083               | 384 068           | 461 921    |
|                                                    |                                         |                                                                                                                                         | eThekweni            | 508 950               | 595 913           | 716 707    |
|                                                    |                                         |                                                                                                                                         | City of Cape Town    | 327 790               | 383 726           | 461 509    |

## SCHEDULE 5

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote                             | Name of allocation                                                           | Purpose                                                                                                                                                                                                                                                   | Type of allocation     | Province      | Column A              | Column B          |                |
|----------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|-----------------------|-------------------|----------------|
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        |               | 2009/10<br>Allocation | Forward Estimates |                |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        |               |                       | 2010/11           | 2011/12        |
| <b>Agriculture<br/>(Vote 23)</b> | (a) Agricultural Disaster Management Grant                                   | To relief farmers from the effects of drought/veldfire, cold spell, hail storm and flood in identified areas.                                                                                                                                             | Conditional allocation | Eastern Cape  | R'000 4 000           | R'000 -           | R'000 -        |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Free State    | 11 000                | -                 | -              |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Gauteng       | 10 000                | -                 | -              |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | KwaZulu-Natal | 5 000                 | -                 | -              |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Limpopo       | 5 000                 | -                 | -              |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Mpumalanga    | 5 000                 | -                 | -              |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Northern Cape | 5 000                 | -                 | -              |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | North West    | 5 000                 | -                 | -              |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Western Cape  | 10 000                | -                 | -              |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | <b>TOTAL</b>  | <b>60 000</b>         | <b>-</b>          | <b>-</b>       |
|                                  | (b) Ilima/Letsema Projects Grant                                             | Universal access to agriculture support services.                                                                                                                                                                                                         | Conditional allocation | Eastern Cape  | 5 000                 | 20 000            | 40 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Free State    | 6 500                 | 26 000            | 52 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Gauteng       | 2 500                 | 10 000            | 20 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | KwaZulu-Natal | 7 500                 | 30 000            | 60 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Limpopo       | 5 000                 | 20 000            | 40 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Mpumalanga    | 5 000                 | 20 000            | 40 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Northern Cape | 7 500                 | 30 000            | 60 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | North West    | 5 000                 | 20 000            | 40 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Western Cape  | 6 000                 | 24 000            | 48 000         |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | <b>TOTAL</b>  | <b>50 000</b>         | <b>200 000</b>    | <b>400 000</b> |
|                                  | (c) Land Care Programme Grant: Poverty Relief and Infrastructure Development | To enhance a sustainable conservation of natural resources through a community-based participatory approach; create job opportunities through the Expanded Public Works programme; and improve food security within previously disadvantaged communities. | Conditional allocation | Eastern Cape  | 8 227                 | 8 721             | 9 244          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Free State    | 4 113                 | 4 360             | 4 622          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Gauteng       | 3 599                 | 3 815             | 4 044          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | KwaZulu-Natal | 8 227                 | 8 721             | 9 244          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Limpopo       | 7 713                 | 8 176             | 8 667          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Mpumalanga    | 4 627                 | 4 904             | 5 198          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Northern Cape | 5 656                 | 5 995             | 6 355          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | North West    | 6 170                 | 6 540             | 6 932          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | Western Cape  | 3 085                 | 3 270             | 3 466          |
|                                  |                                                                              |                                                                                                                                                                                                                                                           |                        | <b>TOTAL</b>  | <b>51 417</b>         | <b>54 502</b>     | <b>57 772</b>  |

# SCHEDULE 5

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote                                  | Name of allocation                             | Purpose                                                                                                                                                                                                                                                          | Type of allocation     | Province      | Column A              | Column B          |                  |
|---------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|-----------------------|-------------------|------------------|
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        |               | 2009/10<br>Allocation | Forward Estimates |                  |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        |               |                       | 2010/11           | 2011/12          |
| <b>Arts and Culture<br/>(Vote 12)</b> | Community Library Services Grant               | To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives. | Conditional allocation | Eastern Cape  | R'000<br>55 515       | R'000<br>62 240   | R'000<br>65 974  |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Free State    | 40 315                | 45 197            | 47 909           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Gauteng       | 46 043                | 51 619            | 54 716           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | KwaZulu-Natal | 34 147                | 38 282            | 40 579           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Limpopo       | 55 956                | 62 733            | 66 497           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Mpumalanga    | 55 956                | 62 733            | 66 497           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Northern Cape | 58 820                | 65 943            | 69 900           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | North West    | 52 872                | 59 275            | 62 832           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Western Cape  | 40 976                | 45 938            | 48 694           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | <b>TOTAL</b>  | <b>440 600</b>        | <b>493 960</b>    | <b>523 598</b>   |
| <b>Education<br/>(Vote 13)</b>        | (a) HIV and Aids (Life Skills Education) Grant | To provide education and training for school management teams and educators to develop, implement and manage life skills education in line with HIV and Aids, drug and substance abuse, gender equity policies and national strategic plans on HIV and Aids.     | Conditional allocation | Eastern Cape  | 30 168                | 32 156            | 34 086           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Free State    | 10 341                | 10 719            | 11 362           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Gauteng       | 25 253                | 27 078            | 28 703           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | KwaZulu-Natal | 39 765                | 42 686            | 45 247           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Limpopo       | 25 882                | 27 454            | 29 101           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Mpumalanga    | 14 626                | 15 420            | 16 345           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Northern Cape | 3 828                 | 3 573             | 3 788            |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | North West    | 12 912                | 13 539            | 14 351           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Western Cape  | 14 626                | 15 420            | 16 345           |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | <b>TOTAL</b>  | <b>177 401</b>        | <b>188 045</b>    | <b>199 328</b>   |
|                                       | (b) National School Nutrition Programme Grant  | To provide nutritious meals to learners.                                                                                                                                                                                                                         | Conditional allocation | Eastern Cape  | 486 695               | 702 936           | 845 166          |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Free State    | 122 306               | 195 194           | 244 699          |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Gauteng       | 251 590               | 388 884           | 509 798          |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | KwaZulu-Natal | 555 917               | 855 285           | 1 070 013        |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Limpopo       | 419 185               | 659 233           | 829 669          |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Mpumalanga    | 229 534               | 354 341           | 440 923          |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Northern Cape | 55 690                | 84 536            | 105 116          |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | North West    | 161 063               | 249 599           | 305 935          |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | Western Cape  | 112 548               | 173 318           | 227 433          |
|                                       |                                                |                                                                                                                                                                                                                                                                  |                        | <b>TOTAL</b>  | <b>2 394 528</b>      | <b>3 663 326</b>  | <b>4 578 752</b> |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote                           | Name of allocation                                     | Purpose                                                                                                                                                                                                                     | Type of allocation     | Province      | Column A              | Column B          |                  |
|--------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|-----------------------|-------------------|------------------|
|                                |                                                        |                                                                                                                                                                                                                             |                        |               | 2009/10<br>Allocation | Forward Estimates |                  |
|                                |                                                        |                                                                                                                                                                                                                             |                        |               |                       | 2010/11           | 2011/12          |
|                                |                                                        |                                                                                                                                                                                                                             |                        |               | R'000                 | R'000             | R'000            |
| <b>Education<br/>(Vote 13)</b> | (c) Technical Secondary Schools Recapitalisation Grant | To increase the number of learners with key technical skills by supporting quality curriculum delivery of the NCS technical subjects by providing facilities, equipment and training to teachers at technical high schools. | Conditional allocation | Eastern Cape  | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Free State    | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Gauteng       | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | KwaZulu-Natal | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Limpopo       | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Mpumalanga    | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Northern Cape | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | North West    | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Western Cape  | -                     | -                 | -                |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Unallocated   | -                     | 80 000            | 200 000          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | <b>TOTAL</b>  | -                     | <b>80 000</b>     | <b>200 000</b>   |
| <b>Health<br/>(Vote 14)</b>    | (a) Comprehensive HIV and Aids Grant                   | To enable the health sector to develop an effective response to HIV and Aids and to support the implementation of the National Operational Plan for Comprehensive HIV and Aids treatment and care.                          | Conditional allocation | Eastern Cape  | 401 727               | 497 599           | 533 965          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Free State    | 235 792               | 326 658           | 350 365          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Gauteng       | 760 879               | 866 452           | 932 511          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | KwaZulu-Natal | 880 659               | 1 013 082         | 1 090 268        |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Limpopo       | 291 474               | 403 280           | 432 554          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Mpumalanga    | 200 226               | 261 544           | 281 080          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Northern Cape | 113 703               | 157 150           | 168 559          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | North West    | 281 813               | 337 158           | 362 666          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Western Cape  | 309 913               | 448 834           | 480 994          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | <b>TOTAL</b>  | <b>3 476 186</b>      | <b>4 311 757</b>  | <b>4 632 962</b> |
|                                | (b) Forensic Pathology Services Grant                  | To continue the development and provision of adequate mortuary services in all provinces.                                                                                                                                   | Conditional allocation | Eastern Cape  | 61 214                | 69 345            | 73 506           |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Free State    | 32 855                | 37 218            | 39 451           |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Gauteng       | 81 584                | 92 421            | 97 966           |
|                                |                                                        |                                                                                                                                                                                                                             |                        | KwaZulu-Natal | 134 538               | 152 406           | 161 550          |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Limpopo       | 35 233                | 39 913            | 42 308           |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Mpumalanga    | 44 233                | 50 107            | 53 114           |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Northern Cape | 20 187                | 22 868            | 24 240           |
|                                |                                                        |                                                                                                                                                                                                                             |                        | North West    | 23 334                | 26 433            | 28 019           |
|                                |                                                        |                                                                                                                                                                                                                             |                        | Western Cape  | 58 484                | 66 251            | 70 226           |
|                                |                                                        |                                                                                                                                                                                                                             |                        | <b>TOTAL</b>  | <b>491 662</b>        | <b>556 962</b>    | <b>590 380</b>   |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote                         | Name of allocation                           | Purpose                                                                                                                                                                                                                                                                               | Type of allocation     | Province      | Column A              | Column B          |                  |
|------------------------------|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|-----------------------|-------------------|------------------|
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        |               | 2009/10<br>Allocation | Forward Estimates |                  |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        |               |                       | 2010/11           | 2011/12          |
| <b>Health<br/>(Vote 14)</b>  | (c) Health Disaster Response (Cholera) Grant | To support and enable a response to the Cholera epidemic including treatment, public health response and prevention.                                                                                                                                                                  | Conditional allocation | Eastern Cape  | R'000 -               | R'000 -           | R'000 -          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Free State    | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Gauteng       | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | KwaZulu-Natal | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Limpopo       | 50 000                | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Mpumalanga    | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Northern Cape | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | North West    | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Western Cape  | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | <b>TOTAL</b>  | <b>50 000</b>         | -                 | -                |
|                              | (d) Hospital Revitalisation Grant            | To provide funding to enable provinces to plan, manage, modernise, rationalise and transform the infrastructure, health technology, monitoring and evaluation of hospitals; and to transform hospital management and improve quality of care in line with national policy objectives. | Conditional allocation | Eastern Cape  | 238 611               | 360 660           | 386 048          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Free State    | 247 886               | 378 426           | 421 883          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Gauteng       | 755 190               | 798 609           | 805 967          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | KwaZulu-Natal | 449 558               | 500 815           | 551 698          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Limpopo       | 206 931               | 323 425           | 375 672          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Mpumalanga    | 304 441               | 331 657           | 360 557          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Northern Cape | 340 197               | 420 218           | 410 892          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | North West    | 254 644               | 326 303           | 374 074          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Western Cape  | 388 845               | 440 554           | 485 501          |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | <b>TOTAL</b>  | <b>3 186 303</b>      | <b>3 880 667</b>  | <b>4 172 292</b> |
| <b>Housing<br/>(Vote 26)</b> | (a) Housing Disaster Relief Grant            | To provide emergency relief in support of reconstruction work to housing and related infrastructure damaged by storms in KwaZulu-Natal.                                                                                                                                               | Conditional allocation | Eastern Cape  | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Free State    | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Gauteng       | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | KwaZulu-Natal | 150 000               | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Limpopo       | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Mpumalanga    | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Northern Cape | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | North West    | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | Western Cape  | -                     | -                 | -                |
|                              |                                              |                                                                                                                                                                                                                                                                                       |                        | <b>TOTAL</b>  | <b>150 000</b>        | -                 | -                |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote                                                       | Name of allocation                                            | Purpose                                                                                                                                                                                                                             | Type of allocation     | Province      | Column A              | Column B           |                    |
|------------------------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|-----------------------|--------------------|--------------------|
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        |               | 2009/10<br>Allocation | Forward Estimates  |                    |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        |               |                       | 2010/11            | 2011/12            |
| <b>Housing<br/>(Vote 26)</b>                               | (b) Integrated Housing and Human Settlement Development Grant | To provide for the facilitation of a sustainable housing development process by laying down general principles applicable to housing development in all spheres of government through the Division of Revenue Act.                  | Conditional allocation | Eastern Cape  | R'000<br>1 313 378    | R'000<br>1 598 646 | R'000<br>1 802 873 |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Free State    | 962 759               | 1 300 691          | 1 380 185          |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Gauteng       | 3 187 086             | 3 771 831          | 4 322 945          |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | KwaZulu-Natal | 2 180 448             | 2 714 109          | 3 149 500          |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Limpopo       | 996 667               | 1 234 750          | 1 415 163          |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Mpumalanga    | 795 447               | 975 863            | 1 118 449          |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Northern Cape | 325 011               | 273 260            | 313 187            |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | North West    | 1 100 055             | 1 288 770          | 1 578 161          |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Western Cape  | 1 581 425             | 1 868 843          | 2 141 905          |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | <b>TOTAL</b>  | <b>12 442 276</b>     | <b>15 026 763</b>  | <b>17 222 368</b>  |
| <b>Public Works<br/>(Vote 5)</b>                           | Devolution of Property Rate Funds Grant                       | To facilitate the transfer of property rates expenditure responsibility to provinces; and to enable provincial accounting officers to be fully accountable for their expenditure and payment of provincial property rates.          | Conditional allocation | Eastern Cape  | 134 061               | 147 467            | 156 315            |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Free State    | 140 144               | 154 158            | 163 408            |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Gauteng       | 173 983               | 191 381            | 202 864            |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | KwaZulu-Natal | 236 264               | 259 891            | 275 485            |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Limpopo       | 13 776                | 15 154             | 16 063             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Mpumalanga    | 40 340                | 44 374             | 47 036             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Northern Cape | 26 998                | 29 698             | 31 480             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | North West    | 66 107                | 72 718             | 77 081             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Western Cape  | 164 865               | 181 351            | 192 232            |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | <b>TOTAL</b>  | <b>996 538</b>        | <b>1 096 192</b>   | <b>1 161 964</b>   |
| <b>Sport and Recreation<br/>South Africa<br/>(Vote 17)</b> | Mass Sport and Recreation Participation Programme Grant       | To promote mass participation within communities and schools through selected sport and recreation activities, empowerment of communities and schools in conjunction with stakeholders and development of communities through sport | Conditional allocation | Eastern Cape  | 62 765                | 66 531             | 70 523             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Free State    | 26 591                | 28 186             | 29 877             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Gauteng       | 63 834                | 67 664             | 71 724             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | KwaZulu-Natal | 85 148                | 90 256             | 95 671             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Limpopo       | 45 023                | 45 604             | 48 340             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Mpumalanga    | 29 870                | 31 663             | 33 563             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Northern Cape | 19 686                | 21 927             | 23 243             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | North West    | 31 096                | 34 022             | 36 063             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | Western Cape  | 38 237                | 40 532             | 42 964             |
|                                                            |                                                               |                                                                                                                                                                                                                                     |                        | <b>TOTAL</b>  | <b>402 250</b>        | <b>426 385</b>     | <b>451 968</b>     |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote                           | Name of allocation                 | Purpose                                                                                                                                                                                                                  | Type of allocation     | Province      | Column A              | Column B          |         |
|--------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|-----------------------|-------------------|---------|
|                                |                                    |                                                                                                                                                                                                                          |                        |               | 2009/10<br>Allocation | Forward Estimates |         |
|                                |                                    |                                                                                                                                                                                                                          |                        |               |                       | 2010/11           | 2011/12 |
| <b>Transport<br/>(Vote 33)</b> | (a) Gautrain Rapid Rail Link Grant | To provide for national government funding contribution over a period of five years to the Gauteng Provincial Government for the construction of a fully integrated Gautrain Rapid Rail network.                         | Conditional allocation | Eastern Cape  | R'000 -               | R'000 -           | R'000 - |
|                                |                                    |                                                                                                                                                                                                                          |                        | Free State    | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Gauteng       | 2 832 691             | 340 660           | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | KwaZulu-Natal | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Limpopo       | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Mpumalanga    | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Northern Cape | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | North West    | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Western Cape  | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | <b>TOTAL</b>  | <b>2 832 691</b>      | <b>340 660</b>    | -       |
|                                | (b) Overload Control Grant         | To successfully implement the National Overload Control Strategy and ensure that overloading practices are significantly reduced.                                                                                        | Conditional allocation | Eastern Cape  | -                     | 5 519             | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Free State    | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Gauteng       | 5 034                 | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | KwaZulu-Natal | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Limpopo       | 5 035                 | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Mpumalanga    | -                     | 5 519             | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Northern Cape | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | North West    | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Western Cape  | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | <b>TOTAL</b>  | <b>10 069</b>         | <b>11 038</b>     | -       |
|                                | (c) Sani Pass Roads Grant          | To allow commuters from both the Republic of South Africa and the Kingdom of Lesotho to travel and access opportunities and markets; and to improve safety and create the opportunity for extended border control hours. | Conditional allocation | Eastern Cape  | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Free State    | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Gauteng       | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | KwaZulu-Natal | 34 347                | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Limpopo       | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Mpumalanga    | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Northern Cape | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | North West    | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | Western Cape  | -                     | -                 | -       |
|                                |                                    |                                                                                                                                                                                                                          |                        | <b>TOTAL</b>  | <b>34 347</b>         | -                 | -       |

**SCHEDULE 6**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**

| Vote                                             | Name of allocation                                                  | Purpose                                                                                                                                                                                                                                                                                                                                                        | Column A              | Column B          |                  |
|--------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|------------------|
|                                                  |                                                                     |                                                                                                                                                                                                                                                                                                                                                                | 2009/10<br>Allocation | Forward Estimates |                  |
|                                                  |                                                                     |                                                                                                                                                                                                                                                                                                                                                                |                       | 2010/11           | 2011/12          |
|                                                  |                                                                     |                                                                                                                                                                                                                                                                                                                                                                | R'000                 | R'000             | R'000            |
| <b>RECURRENT GRANTS</b>                          |                                                                     |                                                                                                                                                                                                                                                                                                                                                                |                       |                   |                  |
| <b>Provincial and Local Government (Vote 29)</b> | Municipal Systems Improvement Grant                                 | To assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance systems.                                                                                                                                                                                                                          | 200 000               | 212 000           | 224 720          |
| <b>National Treasury (Vote 7)</b>                | Local Government Financial Management Grant                         | To promote and support reforms in financial management by building the capacity in municipalities to implement the Municipal Finance Management Act.                                                                                                                                                                                                           | 299 990               | 364 589           | 384 641          |
| <b>Water Affairs and Forestry (Vote 34)</b>      | Water Services Operating Subsidy Grant                              | To subsidise water schemes owned and/or operated by the department or by other agencies on behalf of the department and transfer these to local government.                                                                                                                                                                                                    | 978 579               | 570 000           | 380 000          |
| <b>Sport and Recreation SA (Vote 17)</b>         | 2010 World Cup Host City Operating Grant                            | To assist host cities with the operational response associated with the hosting of the 2009 Confederations Cup and the 2010 FIFA World Cup competition.                                                                                                                                                                                                        | 507 557               | 210 280           | -                |
| <b>TOTAL</b>                                     |                                                                     |                                                                                                                                                                                                                                                                                                                                                                | <b>1 986 126</b>      | <b>1 356 869</b>  | <b>989 361</b>   |
| <b>INFRASTRUCTURE GRANTS</b>                     |                                                                     |                                                                                                                                                                                                                                                                                                                                                                |                       |                   |                  |
| <b>Minerals and Energy (Vote 28)</b>             | (a) Integrated National Electrification Programme (Municipal) Grant | To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of permanently occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply. | 932 957               | 1 020 104         | 1 096 612        |
|                                                  | (b) Electricity Demand Side Management (Municipal) Grant            | To implement the EEDSM programme by providing capital subsidies to licensed distributors to address the Energy Efficiency Demand Side Management in residential dwellings, community and commercial buildings in order to mitigate the risk of load shedding and supply interruptions.                                                                         | 175 000               | 220 000           | 280 000          |
| <b>National Treasury (Vote 7)</b>                | Neighbourhood Development Partnership Grant                         | To provide municipalities with capital subsidies for property developments in townships and new residential neighbourhoods that include the construction or upgrading of community facilities, and where appropriate, attract private sector funding and input.                                                                                                | 582 000               | 630 000           | 840 440          |
| <b>Transport (Vote 33)</b>                       | (a) Public Transport Infrastructure and Systems Grant               | To provide for accelerated planning, establishment, construction and improvement of new and existing public transport and non-motorised transport infrastructure and systems.                                                                                                                                                                                  | 2 418 177             | 4 289 775         | 5 149 008        |
|                                                  | (b) Rural Transport Services and Infrastructure Grant               | To improve mobility and access in rural municipalities in support of Integrated Development Plans.                                                                                                                                                                                                                                                             | 9 800                 | 10 400            | 11 100           |
| <b>Sport and Recreation SA (Vote 17)</b>         | 2010 FIFA World Cup Stadiums Development Grant                      | To fund the design and construction of new designated stadiums or the design and upgrading of designated existing stadiums and supporting bulk services infrastructure in the World Cup host cities.                                                                                                                                                           | 1 661 107             | 302 286           | -                |
| <b>TOTAL</b>                                     |                                                                     |                                                                                                                                                                                                                                                                                                                                                                | <b>5 779 041</b>      | <b>6 472 565</b>  | <b>7 377 160</b> |

**SCHEDULE 7**

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

| Vote                                        | Name of allocation                                                | Purpose                                                                                                                                                                                                                                                                                                                                                                                                    | Column A              | Column B          |                  |
|---------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|------------------|
|                                             |                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                            | 2009/10<br>Allocation | Forward Estimates |                  |
|                                             |                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                            |                       | 2010/11           | 2011/12          |
| <b>National Treasury (Vote 7)</b>           | Neighbourhood Development Partnership Grant                       | To provide municipalities with technical assistance to develop appropriate project proposals for property developments in townships and new residential neighbourhoods that include the construction or upgrading of community facilities, and where appropriate, attract private sector funding and input.                                                                                                | R'000<br>79 954       | R'000<br>125 000  | R'000<br>100 000 |
| <b>Minerals and Energy (Vote 28)</b>        | (a) Integrated National Electrification Programme (Eskom) Grant   | To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of permanently occupied residential dwellings, the installation of bulk infrastructure and rehabilitation of electrification infrastructure.                                                                                                          | 1 477 709             | 1 769 475         | 1 902 186        |
|                                             | (b) Backlogs in the Electrification of Clinics and Schools Grant  | To implement the INEP by providing capital subsidies to Eskom to address the electrification backlog of schools and clinics.                                                                                                                                                                                                                                                                               | 150 000               | -                 | -                |
|                                             | (c) Electricity Demand Side Management (Eskom) Grant              | To implement the EEDSM programme by providing capital subsidies to Eskom to address the Energy Efficiency Demand Side Management in residential dwellings, community and commercial buildings in order to mitigate the risk of load shedding and supply interruptions.                                                                                                                                     | 75 000                | 110 000           | 120 000          |
| <b>Water Affairs and Forestry (Vote 34)</b> | (a) Water Services Operating Subsidy Grant                        | To subsidise water schemes owned and/or operated by the department or by other agencies on behalf of the department and transfer these to local government.                                                                                                                                                                                                                                                | 135 199               | -                 | -                |
|                                             | (b) Regional Bulk Infrastructure Grant                            | To develop regional bulk infrastructure for water supply to supplement water treatment works at resource development and link such water resource development with the local bulk and local distribution networks on a regional basis cutting across several local municipal boundaries. In the case of sanitation to supplement regional bulk collection as well as regional waste water treatment works. | 611 500               | 839 000           | 1 475 340        |
|                                             | (c) Backlogs in Water and Sanitation at Clinics and Schools Grant | To eradicate the water supply and sanitation backlog of all clinics and schools.                                                                                                                                                                                                                                                                                                                           | 350 000               | -                 | -                |
| <b>TOTAL</b>                                |                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                            | <b>2 879 362</b>      | <b>2 843 475</b>  | <b>3 597 526</b> |

**SCHEDULE 8**

**INCENTIVES TO PROVINCES TO MEET TARGETS WITH REGARDS TO PRIORITY GOVERNMENT PROGRAMMES**

| Vote                             | Name of allocation                                 | Purpose                                                                                                                                                                                   | Type of allocation                | Province      | Column A              | Column B          |                |
|----------------------------------|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------|-----------------------|-------------------|----------------|
|                                  |                                                    |                                                                                                                                                                                           |                                   |               | 2009/10<br>Allocation | Forward Estimates |                |
|                                  |                                                    |                                                                                                                                                                                           |                                   |               |                       | 2010/11           | 2011/12        |
|                                  |                                                    |                                                                                                                                                                                           |                                   |               | R'000                 | R'000             | R'000          |
| <b>Public Works<br/>(Vote 5)</b> | Expanded Public Works Programme<br>Incentive Grant | To incentivise provinces to increase labour<br>intensive employment through programmes<br>that maximise job creation and skills<br>development as encapsulated in the EPWP<br>guidelines. | Incentive allocation to provinces | Eastern Cape  | 29 992                | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | Free State    | 23 008                | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | Gauteng       | 500                   | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | KwaZulu-Natal | 84 180                | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | Limpopo       | 500                   | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | Mpumalanga    | 5 047                 | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | Northern Cape | 500                   | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | North West    | 7 192                 | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | Western Cape  | 500                   | -                 | -              |
|                                  |                                                    |                                                                                                                                                                                           |                                   | Unallocated   | -                     | 400 000           | 800 000        |
|                                  |                                                    |                                                                                                                                                                                           |                                   | <b>TOTAL</b>  | <b>151 419</b>        | <b>400 000</b>    | <b>800 000</b> |

**SCHEDULE 8**

**INCENTIVES TO MUNICIPALITIES TO MEET TARGETS WITH REGARDS TO PRIORITY GOVERNMENT PROGRAMMES**

| Vote                             | Name of allocation                                                    | Purpose                                                                                                                                                                      | Column A              | Column B          |                  |
|----------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|------------------|
|                                  |                                                                       |                                                                                                                                                                              | 2009/10<br>Allocation | Forward Estimates |                  |
|                                  |                                                                       |                                                                                                                                                                              |                       | 2010/11           | 2011/12          |
|                                  |                                                                       |                                                                                                                                                                              | R'000                 | R'000             | R'000            |
| <b>Public Works<br/>(Vote 5)</b> | Expanded Public Works Programme<br>Incentive Grant for Municipalities | To incentivise municipalities to increase labour intensive employment through programmes that maximise job creation and skills development in line with the EPWP guidelines. | 201 748               | 554 000           | 1 108 000        |
| <b>TOTAL</b>                     |                                                                       |                                                                                                                                                                              | <b>201 748</b>        | <b>554 000</b>    | <b>1 108 000</b> |