

Please note that most Acts are published in English and another South African official language. Currently we only have capacity to publish the English versions. This means that this document will only contain even numbered pages as the other language is printed on uneven numbered pages.



# Government Gazette

REPUBLIC OF SOUTH AFRICA

Vol. 563 Cape Town 17 May 2012

No. 35361

## THE PRESIDENCY

No. 393

31 March 2010

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

**No. 5 of 2012: Division of Revenue Act, 2012.**



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

*(English text signed by the President)  
(Assented to 15 May 2012)*

# ACT

**To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2012/13 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:—

## ARRANGEMENT OF PROVISIONS OF ACT

### *Sections*

### CHAPTER 1

5

#### INTERPRETATION AND OBJECTS OF ACT

1. Interpretation
2. Objects of Act

### CHAPTER 2

#### EQUITABLE SHARE ALLOCATIONS

10

3. Equitable division of revenue raised nationally among spheres of government
4. Equitable division of provincial share among provinces
5. Equitable division of local government share among municipalities
6. Shortfalls, excess revenue and additional allocations

**CHAPTER 3****CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES*****Part 1******Conditional allocations***

- |    |   |   |
|----|---|---|
| 7. | Conditional allocations to provinces      | 5 |
| 8. | Conditional allocations to municipalities |   |

***Part 2******Duties of accounting officers in respect of Schedule 4 to 8 allocations***

- |     |   |    |
|-----|---|----|
| 9.  | Duties of transferring national officer in respect of Schedule 4 allocations                  |    |
| 10. | Duties of transferring national officer in respect of Schedule 5 to 7 allocations             | 10 |
| 11. | Duties of receiving officer in respect of Schedule 4 allocations                              |    |
| 12. | Duties of receiving officer in respect of Schedule 5, 6 and 8 allocations                     |    |
| 13. | Duties of receiving officer in respect of infrastructure conditional allocations to provinces |    |
| 14. | Duties in respect of annual financial statements and annual reports for 2012/13               | 15 |

***Part 3******Matters relating to Schedule 4 to 8 allocations***

- |     |  |    |
|-----|--|----|
| 15. | Publication of allocations and frameworks              |    |
| 16. | Spending in terms of purpose and subject to conditions |    |
| 17. | Withholding of allocation                              | 20 |
| 18. | Stopping of allocation                                 |    |
| 19. | Re-allocation of funds                                 |    |
| 20. | Conversion of allocations                              |    |
| 21. | Unspent conditional allocations                        |    |

***Part 4***

25

***Matters relating to Schedule 1 to 8 allocations***

- |     |                               |  |
|-----|-------------------------------|--|
| 22. | Payment schedule              |  |
| 23. | Amendment of payment schedule |  |

**CHAPTER 4****MATTERS RELATING TO ALL ALLOCATIONS** 30

- |     |  |  |
|-----|--|--|
| 24. | Transfers made in error or fraudulently                            |  |
| 25. | Allocations not listed in Schedules                                |  |
| 26. | Preparations for next financial year and 2014/15 financial year    |  |
| 27. | Expenditure prior to commencement of Division of Revenue Act, 2013 |  |

**CHAPTER 5**

35

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

- |     |                                 |    |
|-----|---------------------------------|----|
| 28. | Duties of municipalities        |    |
| 29. | Duties of provincial treasuries |    |
| 30. | Duties of National Treasury     | 40 |

**CHAPTER 6****GENERAL**

|   |    |
|---|----|
| 31. Allocations by public entities to provinces or municipalities   |    |
| 32. Liability for costs incurred in violation of principles of cooperative governance and intergovernmental relations | 5  |
| 33. Irregular expenditure   |    |
| 34. Financial misconduct  |    |
| 35. Delegations and assignments   |    |
| 36. Exemptions  |    |
| 37. Regulations   | 10 |
| 38. Repeal of laws  |    |
| 39. Short title and commencement  |    |

**SCHEDULE 1**

Equitable division of revenue raised nationally among the three spheres of government

**SCHEDULE 2** 15

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)

**SCHEDULE 3**

Determination of each municipality's equitable share of the local government sphere's share of revenue raised nationally 20

**SCHEDULE 4**

Allocations to provinces and municipalities to supplement the funding of programmes or functions funded from provincial or municipal budgets

**SCHEDULE 5**

Specific purpose allocations to provinces 25

**SCHEDULE 6**

Specific purpose allocations to municipalities

**SCHEDULE 7**

Allocations-in-kind to provinces and municipalities for designated special programmes

**SCHEDULE 8** 30

Provision to specifically cater for immediate release of funds to provinces and municipalities for disaster response

**CHAPTER 1****INTERPRETATION AND OBJECTS OF ACT****Interpretation** 35

1. (1) In this Act, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Public Finance Management Act or the Municipal Finance Management Act has the meaning assigned to it in the Act in question, and—

“**accreditation**” means accreditation of a municipality, in terms of section 10(2) of the Housing Act, 1997 (Act No. 107 of 1997), to administer national housing 40

- programmes, read with Part 3 of the National Housing Code, 2009 (Financial Interventions: Accreditation of Municipalities);
- “**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;
- “**corporation for public deposits account**” means a bank account of a Provincial Revenue Fund held with the Corporation for Public Deposits, established by the Corporation for Public Deposits Act, 1984 (Act No. 46 of 1984);
- “**Disaster Management Act**” means the Disaster Management Act, 2002 (Act No. 57 of 2002);
- “**financial year**” means the financial year commencing on 1 April 2012 and ending on 31 March 2013;
- “**framework**” means the conditions and other information in respect of a conditional allocation published by the National Treasury in terms of section 15;
- “**level one accreditation**” means accreditation to render beneficiary management, subsidy budget planning and allocation, and priority programme management and administration;
- “**level three accreditation**” means an executive assignment to administer all aspects, including financial administration, of national housing programmes;
- “**level two accreditation**” means accreditation to render full programme management and administration of all housing instruments and housing programmes in addition to the responsibilities under a level one accreditation;
- “**Municipal Finance Management Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- “**municipal financial year**” means the financial year of a municipality commencing on 1 July 2012 and ending on 30 June 2013;
- “**next financial year**” means the financial year commencing on 1 April 2013 and ending on 31 March 2014;
- “**next municipal financial year**” means the financial year of a municipality commencing on 1 July 2013 and ending on 30 June 2014;
- “**organ of state**” means an organ of state as defined in section 239 of the Constitution of the Republic of South Africa, 1996;
- “**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;
  - (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 37;
- “**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 accounting officer of the provincial treasury has certified to the National Treasury as the bank account into which all conditional allocations in terms of this Act must be deposited; and
  - (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;
- “**Public Finance Management Act**” means the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- “**quarter**” means the period from—
- (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;
- “**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

(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;

“**receiving provincial department**”, in relation to a Schedule 4, 5 or 8 allocation transferred to a province, means the provincial department which receives that allocation or a portion thereof for spending via an appropriation from its Provincial Revenue Fund; 5

“**this Act**” includes any framework or allocation published, or any regulation made under this Act;

“**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. 10

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

(3) A reference to a specific conditional allocation refers to the allocation indicated in a Schedule to this Act and a framework by that name. 15

### Objects of Act

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 predictability and certainty in respect of all allocations to provinces and municipalities, in order that provinces and municipalities may plan their budgets over a multi-year period and thereby promote better coordination between policy, planning and budgeting; and
- (c) promote transparency and accountability in the resource allocation process, by ensuring that all allocations are reflected on the budgets of provinces and municipalities and by ensuring that the expenditure of conditional allocations is reported on by the receiving provincial departments and municipalities. 25

## CHAPTER 2

### EQUITABLE SHARE ALLOCATIONS

#### Equitable division of revenue raised nationally among spheres of government 30

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.

(2) An envisaged division of revenue anticipated to be raised in respect of the next financial year and the 2014/15 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 1. 35

#### 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. 40

(2) An envisaged division for each province of revenue anticipated to be raised nationally in respect of the next financial year and the 2014/15 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.

(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 22. 45

**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 2014/15 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. 5
- (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 6 July 2012, 30 November 2012 and 22 March 2013, in accordance with a payment schedule determined by the National Treasury in terms of section 22. 10

**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. 15
- (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— 20
- (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; and 25
- (b) increase a conditional allocation to a province or municipality through a virement under section 43 of the Public Finance Management Act or section 28(2)(d) of the Municipal Finance Management Act, as the case may be.

**CHAPTER 3****CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES 30****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 are set out in Column A of the following Schedules: 35
- (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;
- (c) Schedule 7, specifying allocations-in-kind to provinces for designated special programmes; and 40
- (d) Schedule 8, specifying funds that are currently not allocated to specific provinces, that may be released to provinces to fund disaster response within

a period from three days up to three months following a declared disaster in terms of the conditions of the Disaster Management Act.

(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 2014/15 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). 5

### 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: 10

- (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 15
- (d) Schedule 8, specifying funds that are currently not allocated to specific municipalities, that may be released to local government or municipalities to fund disaster response within a period from three days up to three months following a declared disaster in terms of the conditions of the Disaster Management Act. 20

(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 2014/15 financial year, which, with the exception of what is provided in subsection (4) in relation to the Public Transport Infrastructure and Systems Grant, and which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 25

(3) The National Treasury must, in terms of section 15, publish the share or indicative allocation of each municipality in respect of the local government allocations contemplated in subsections (1)(a) to (d) and (2) in the *Gazette*. 30

(4) Despite subsection (2), in respect of the Public Transport Infrastructure and Systems Grant, funding which is specifically approved by the National Treasury in relation to transport contracts for capital projects must be regarded as being firm allocations for the next financial year and the 2014/15 financial year that will not be altered downwards in the Division of Revenue Acts in respect of those financial years. 35

(5) (a) Subject to paragraph (b), a municipality may only after obtaining the approval of the National Treasury, pledge, offer as security or commit to a person or institution future conditional allocation transfers due to the municipality for the next financial year and the 2014/15 financial year, for the purpose of securing a loan or any other form of financial or other support from that person or institution. 40

(b) Prior to granting an approval in terms of paragraph (a), the National Treasury must—

- (i) inform the relevant transferring national officer of a request by a municipality for approval to pledge, offer as security or commit to a person or institution future conditional allocation transfers due to the municipality as referred to in paragraph (a); and 45
- (ii) provide a period of three working days for the transferring national officer to provide comment to the National Treasury on the municipality's request for approval, unless this period is extended by the National Treasury.

### Part 2

50

#### *Duties of accounting officers in respect of Schedule 4 to 8 allocations*

#### Duties of transferring national officer in respect of Schedule 4 allocations

9. (1) The transferring national officer of a Schedule 4 allocation is responsible for—

- (a) ensuring that transfers to all provinces and municipalities are— 55
  - (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 22, unless allocations are withheld or stopped in terms of section 17 or 18;
- (b) monitoring expenditure and non-financial performance information on programmes funded by an allocation, in accordance with subsections (2) and (3) and the requirements of the applicable framework; 5
- (c) complying with the requirements of the applicable framework;
- (d) submitting a quarterly performance report within 45 days after the end of each quarter to the National Treasury, in accordance with the requirements of the relevant framework; and 10
- (e) 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) (a) Subsection (1)(b) does not apply to the Urban Settlements Development Grant. 15
- (b) The transferring national officer must publish the information provided for in terms of section 13(1) in the *Gazette*, in a format determined by the National Treasury, not later than 28 days after this Act takes effect.
- (3) With respect to Schedule 4 allocations, any monitoring programme or system that is utilised to monitor expenditure and non-financial performance information funded by an allocation must— 20
- (i) be approved by the National Treasury;
- (ii) not impose any excessive administrative responsibility on receiving officers of provincial departments or municipalities beyond the provision of standard management information; 25
- (iii) be compatible and integrated with and not unnecessarily duplicate other relevant and related national and provincial systems; and
- (iv) be consistent with section 11(2).

#### **Duties of transferring national officer in respect of Schedule 5 to 7 allocations**

- 10. (1) A transferring national officer must— 30**
- (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 excessive administrative responsibility on receiving provincial departments and municipalities beyond the provision of standard management information; 35
- (ii) monitoring provisions are compatible and integrated with and do not duplicate other relevant and related national, provincial and local systems;
- (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; 40
- (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; 45
- (b) in respect of Schedule 5 and 6 allocations—
- (i) 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;
- (ii) transfer funds only in accordance with a payment schedule determined in accordance with section 22; and 50
- (iii) 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; and
- (c) ensure that all other arrangements or requirements as stipulated in this Act or in the relevant framework for the particular allocation necessary for the transfer of an allocation have been complied with prior to the start of the financial year, and are complied with throughout the financial year. 55
- (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. 60

(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 transferring the allocation as an unconditional allocation.

(4) Before making the first transfer of any allocation, the transferring national officer must take note of any notice in terms of section 30(1) from the National Treasury outlining the details of the account for each province or municipality. 5

(5) The transferring national officer of a Schedule 6 allocation is responsible for monitoring expenditure and non-financial performance information on programmes funded by an allocation.

(6) 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— 10

- (a) the amount of funds transferred to a province or municipality;
- (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; 20
- (c) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 or 6 allocation;
- (d) the actual expenditure incurred by the transferring national officer in respect of a Schedule 7 allocation;
- (e) any matter or information that may be prescribed in the relevant framework for the particular allocation; and 25
- (f) such other matters as the National Treasury may determine.

(7) A transferring national officer must submit a quarterly performance report within 45 days after the end of each quarter to the National Treasury, in accordance with the requirements of the relevant framework. 30

(8) 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, within four months in respect of a province, and six months in respect of a municipality, after the end of the financial year.

(9) The transferring national officer for the Human Settlements Development Grant, in consultation with the receiving officer and the National Treasury, must— 35

- (a) determine the allocations for the Medium Term Expenditure Framework period from the Human Settlements Development Grant for each municipality that has level one and two accreditation; and
- (b) submit those allocations to the National Treasury not later than 28 days after this Act takes effect. 40

(10) The transferring national officer must publish the allocations referred to in subsection (9) in the *Gazette* within 14 days after submitting the allocations to the National Treasury.

#### **Duties of receiving officer in respect of Schedule 4 allocations** 45

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

- (a) complying with the framework for a Schedule 4 allocation as published in terms of section 15; and
- (b) the manner in which a Schedule 4 allocation is allocated and spent.

(2) The receiving officer of a municipality must— 50

- (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 Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), 55

- the conditions and other information in respect of the allocation, to facilitate performance measurement and the use of required inputs and outputs;
- (b) report to the transferring national officer, the relevant provincial treasury and the National Treasury, on— 5
- (i) spending and financial performance against programmes funded by a Schedule 4 allocation, other than the Urban Settlements Development Grant; and
- (ii) in the case of the Urban Settlements Development Grant, spending and financial performance against the municipality's entire capital budget and performance against the targets stipulated in the infrastructure performance framework that is required in terms of the framework, when the municipality prepares its monthly budget statements as required in terms of section 71 of the Municipal Finance Management Act for the months of September 2012, December 2012, March 2013 and June 2013; and 10
- (c) within 30 days after the end of each quarter, report to the transferring national officer and the National Treasury on— 15
- (i) non-financial performance against programmes, in respect of Schedule 4 allocations other than the Urban Settlements Development Grant; and
- (ii) performance for that quarter against the targets stipulated in the infrastructure performance framework that is required in terms of the framework, in respect of the Urban Settlements Development Grant. 20
- (3) The National Treasury must make the report submitted to it in terms of subsection (2)(b) or (c) available to any other national departments that have responsibilities relating to the allocation. 25
- (4) The receiving officer in a province must—
- (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 and the transferring national officer on spending and performance against programmes; and 30
- (b) submit a quarterly performance report within 30 days after the end of each quarter to the relevant provincial treasury, the National Treasury and the transferring national officer.
- (5) The receiving officer must report against programmes funded or partially funded by a Schedule 4 allocation against the relevant framework in its annual financial statements and annual report. 35
- (6) (a) The receiving officer must, within two months after the end of the financial year, and where relevant, the municipal financial year, evaluate the performance of the province or municipality, as the case may be, in respect of programmes funded or partially funded by an allocation and submit such evaluation to the transferring national officer and the relevant provincial treasury. 40
- (b) Municipalities that receive the Urban Settlements Development Grant must report expenditure and non-financial performance information against their capital budgets, in accordance with the requirements of section 71 of the Municipal Finance Management Act. 45
- (c) With respect to the Urban Settlements Development Grant, reporting on performance will be based on the infrastructure budget of the municipality concerned.

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

12. (1) The receiving officer of a Schedule 5, 6 or 8 allocation must ensure compliance with the requirements of the relevant framework. 50
- (2) 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 Finance Management Act, report on the matters referred to in subsection (3) and submit a copy of the section 40(4)(c) report to the relevant provincial treasury and the transferring national officer; 55
- (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 transferring national officer; and 60
- (c) a province or a municipality, submit a quarterly performance report within 30 days after the end of each quarter to the relevant provincial treasury, the National Treasury and the transferring national officer.

- (3) A report by a province in terms of subsection (2)(a) must set out for that month and for the financial year up to the end of that month—
- (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; 5
  - (d) the amount transferred to any national or provincial public entity to implement a programme funded by a Schedule 5 allocation on behalf of a province or to assist the province in implementing such a programme;
  - (e) the available figures regarding the expenditure by a public entity referred to in paragraph (d); 10
  - (f) the extent of compliance with this Act and with the conditions of an allocation provided for in a framework, based on the available information at the time of reporting;
  - (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; 15
  - (h) any matter or information that may be prescribed in the relevant framework for the particular allocation; and
  - (i) such other issues and information as the National Treasury may determine. 20
- (4) A report by a municipality in terms of subsection (2)(b) must set out for that month and for the financial year up to the end of that month—
- (a) the amount received by the municipality;
  - (b) the amount of funds stopped or withheld from the municipality;
  - (c) the extent of compliance with this Act and with the conditions of an allocation or part of an allocation provided for in a framework; 25
  - (d) 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;
  - (e) any matter or information that may be prescribed in the relevant framework for the particular allocation; and 30
  - (f) such other issues and information as the National Treasury may determine. 35
- (5) A 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. 35
- (6) The receiving officer of the Human Settlements Development Grant, in consultation with the transferring national officer, must publish in the *Gazette* within 14 days of this Act taking effect, the expenditure planned from the Human Settlements Development Grant, over the Medium Term Expenditure Framework period per municipality with level one and level two accreditation, separately indicating the 40 spending to be undertaken directly by the province, as well as transfers to each municipality. 40

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

13. (1) Receiving provincial departments for the Education Infrastructure Grant, the Health Infrastructure Grant and the Provincial Roads Maintenance Grant must provide the transferring national officer, not later than 14 days after this Act takes effect, with a list of infrastructure projects for education, health and roads that will be fully or partially funded from the allocations during the 2012/13 and 2014/15 financial years, in a format that will be determined by the National Treasury. 45 50

(2) Receiving officers of the Health Infrastructure Grant, Education Infrastructure Grant, Hospital Revitalisation Grant, Nursing Colleges and Schools Grant and the Provincial Roads Maintenance Grant are responsible for—

- (a) submitting to the transferring national officer and the National Treasury prior to 3 September 2012 or another date agreed to in writing by the National Treasury and the transferring national officer, approved organisational structures which— 55
  - (i) are in compliance with any directives by the Minister for the Public Service and Administration relevant to infrastructure delivery in the sector; and 60

- (ii) include—
- (aa) an indication of the number of posts per profession and the highest educational qualifications of the incumbent and years of experience in the management or operationalisation of infrastructure in the public service; and 5
  - (bb) an indication of the number of vacancies and existing positions filled;
  - (b) ensuring that all infrastructure expenditure partially or fully funded by conditional allocations is reported through the Project and Asset Segment in the Standard Chart of Accounts; 10
  - (c) maintaining up to date databases of all contracts that are fully or partially funded by conditional allocations that are compliant with the Register of Projects and i-Tender system; and
  - (d) ensuring that infrastructure projects comply with best practise standards and guidelines contained in Practice Note 22 that was issued in terms of section 5 of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000). 15
- (3) Non-compliance with any of the requirements in subsection (1) or (2) that is discovered by the National Treasury or the transferring national officer during the 2012/13 financial year may result in the withholding or stopping of the relevant allocation in terms of sections 17 and 18. 20
- (4) (a) The receiving officer of the Education Infrastructure Grant, the Provincial Roads Maintenance Grant or the Health Infrastructure Grant must, within two months after the end of the financial year, evaluate the performance of the province in respect of programmes funded or partially funded by those allocations, and submit such evaluation to the transferring national officer and the relevant provincial treasury. 25
- (b) Provinces that receive the Education Infrastructure Grant, the Provincial Roads Maintenance Grant or the Health Infrastructure Grant must report expenditure and non-financial performance information against their infrastructure budgets, in accordance with the requirements of section 32 of the Public Finance Management Act. 30
- (c) Reporting on performance referred to in paragraph (b) must be based on the infrastructure budget of the province concerned.

#### **Duties in respect of annual financial statements and annual reports for 2012/13**

14. (1) The 2012/13 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— 35
- (a) indicate the total amount of that allocation transferred to a province or municipality;
  - (b) indicate the transfers, if any, that were withheld or stopped in respect of each province or municipality; 40
  - (c) indicate any re-allocations by the National Treasury in terms of section 19;
  - (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
  - (e) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer. 45
- (2) The 2012/13 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, indicate— 50
- (a) the reasons for the withholding or stopping of any transfers to a province or municipality;
  - (b) to what extent provinces or municipalities were monitored for compliance with this Act and the conditions of an allocation provided for in the relevant framework;
  - (c) to what extent the allocation achieved its objectives and outputs; and 55
  - (d) any non-compliance with this Act or the relevant framework, and the steps taken to deal with such non-compliance.

- (3) The 2012/13 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—
- (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 5
  - (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.
- (4) The 2012/13 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— 10
- (a) indicate to what extent the provincial department complied with the provisions of this Act and met the conditions provided for in the relevant framework of such an allocation; 15
  - (b) indicate the steps taken to deal with non-compliance with any of the provisions of this Act or the conditions provided for in the relevant framework of such an allocation;
  - (c) indicate the extent to which the objectives and outputs of the allocation were achieved; 20
  - (d) contain any other information that may be specified in the relevant framework for the allocation; and
  - (e) contain such other information as the National Treasury may determine.
- (5) The 2012/13 financial statements and annual report of a municipality must be prepared in accordance with the Municipal Finance Management Act. 25
- (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 Schedule 4 to 8 allocations*** 30

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

15. (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 province and municipality, in respect of Schedule 7 allocations; and 35
  - (c) the framework for each allocation in Schedules 4 to 8.
- (2) The National Treasury must publish in the *Gazette*—
- (a) any revisions of or amendments to the allocations and frameworks published in terms of subsection (1)(a) and (c); 40
  - (b) any virement which is made in accordance with the requirements of section 6(3) and the Public Finance Management Act;
  - (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 an allocation in terms of section 20; and 45
  - (d) any revised allocations in respect of Schedule 7 allocations.
- (3) The National Treasury may, at any time—
- (a) after consultation with or at the written request of a transferring national officer; and
  - (b) after submitting a revised framework to Parliament for parliamentary comment for a period of 14 days when Parliament is in session, 50
- revise or amend a framework published in terms of subsection (1)(c) or (2)(a), to correct any error or omission.
- (4) An amendment, revision, virement or re-allocation takes effect on publication thereof in the *Gazette*, with the exception of a Schedule 8 allocation. 55

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

16. (1) Despite anything to the contrary contained in any law, an allocation referred to in Schedules 4 to 8 may only be utilised for the purpose stipulated in the Schedule concerned and in accordance with the framework published in terms of section 15.

(2) A receiving officer may not transfer any Schedule 5 or 6 allocation or a portion of such an allocation to any other entity or other sphere of government for the performance of a function envisaged in terms of the allocation, unless the receiving officer has entered into a payment schedule that has been approved by the National Treasury with the entity or other sphere of government that will be performing the function, and—

(a) it is a transfer that is approved in the budget of the receiving provincial department or municipality or a framework published in terms of section 15; 10

(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 15

(c) in the case of an advance payment or a transfer which is not consistent with the budget of the receiving provincial department 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 20

(ii) the National Treasury has approved the advance payment or transfer.

(3) No public entity, other than Eskom Holdings Limited in respect of funds received from the Department of Energy and water boards and in respect of funds received from the Department of Water Affairs and the Department of Human Settlements 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 considers to have low capacity. 25

(4) (a) In respect of the Human Settlements Development Grant, a receiving officer and a municipality with level one, two or three accreditation as at 1 April 2012, must within any deadline determined by the National Treasury, comply with the requirements of subsection (2), by— 30

(i) entering into a payment schedule; and

(ii) submitting the payment schedule to the National Treasury for approval. 35

(b) If a municipality receives accreditation after 1 April 2012, paragraph (a) may apply if approved by the National Treasury.

(5) A receiving officer must request the National Treasury to amend the payment schedule referred to in subsection (4), in accordance with the procedure set out in section 23, in instances where a transfer to a municipality with level three accreditation has been withheld or stopped in terms of section 17 or 18. 40

### Withholding of allocation

17. (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— 45

(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;

(b) roll-overs of conditional allocations approved by the National Treasury in accordance with section 21 have not been spent; or 50

(c) expenditure on previous transfers during the financial year reflects significant under-spending, for which no satisfactory explanation is given.

(2) A maximum of five per cent of the next transfer as contained in the payment schedule for the Health Professions Training and Development Grant and the National Tertiary Services Grant may be withheld in terms of this section. 55

- (3) A transferring national officer must, at least seven working days prior to withholding an allocation in terms of subsection (1)—
- (a) give the relevant receiving officer—
    - (i) written notice of the intention to withhold the allocation; and
    - (ii) an opportunity to submit written representations as to why the allocation should not be withheld; and
  - (b) inform the relevant provincial treasury and the National Treasury, and in respect of any conditional allocation to local government, also the provincial department responsible for local government.
- (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—
- (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.
- (c) The transferring national officer must again comply with subsection (3) when the National Treasury instructs or approves a request by the transferring national officer in terms of paragraph (a).

#### Stopping of allocation

18. (1) Despite section 17, the National Treasury may, in its discretion or at the request of a transferring national officer, or a receiving officer, stop the transfer of a Schedule 4, 5 or 6 allocation referred to in section 17(1) to a province or municipality—
- (a) on the grounds of persistent and material non-compliance with—
    - (i) this Act; or
    - (ii) a condition to which the allocation, as provided for in the relevant framework, is subject;
  - (b) if the National Treasury anticipates that a province or municipality will substantially under-spend on that programme or allocation in the financial year;
  - (c) if a function is reassigned from a province to a municipality; or
  - (d) if a province implementing an infrastructure project does not comply with best practise standards and guidelines contained in Practice Note 22 that was issued in terms of section 5 of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000).
- (2) Except where a function is reassigned from a province to a municipality, the National Treasury must, when stopping an allocation in terms of this section—
- (a) comply with the requirements set out in section 17(3)(a), and in respect of a municipality, also with the requirements of 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 National Treasury 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 of funds**

19. (1) (a) The National Treasury may, when it stops a Schedule 4, 5 or 6 allocation in terms of section 18, after consultation with the transferring national officer and the relevant provincial treasury, determine that a portion of the allocation that will not be spent be reallocated, as the same type of allocation as it was allocated originally, to one or more provinces or municipalities, on condition that the allocation will be spent in the financial year or the next financial year. 5

(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, in terms of paragraph (a), must be deemed to be a roll-over approved by the National Treasury in terms of section 21(2)(a), and the roll-over process set out in Treasury Regulation 6.4.2, made in terms of section 76 of the Public Finance Management Act, does not need to be followed. 10

(2) (a) Despite subsection (1), the National Treasury may, when an intervention in terms of the Constitution or section 137, 139 or 150 of the Municipal Finance Management Act is taking place, on such conditions as it may determine, authorise— 15

(i) in relation to section 100 of the Constitution, the transferring national officer to spend an allocation stopped in terms of section 18 on behalf of the relevant province;

(ii) in relation to section 139 of the Constitution and sections 137 and 139 of the Municipal Finance Management Act, the intervening province to spend an allocation stopped in terms of section 18 on behalf of the relevant municipality; or 20

(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 18 on behalf of the relevant municipality. 25

(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.

(3) The National Treasury may, after consultation with the transferring national officer, determine a portion of the allocation that will be reallocated in the event of the reassignment of a function from a province to a municipality. 30

**Conversion of allocations**

20. (1) The National Treasury may, in its discretion or at the request of the transferring national officer, convert an allocation listed in Schedule 6 to become an allocation listed in Schedule 7, or convert an allocation listed in Schedule 7 to become an allocation listed in Schedule 6, if the National Treasury is satisfied that the conversion will prevent under-spending on the allocation. 35

(2) In respect of the School Infrastructure Backlogs Grant, the National Treasury may, at the request of the transferring national officer and a receiving province, convert the allocation to the province to become an allocation to the Education Infrastructure Grant, if the National Treasury and the transferring national officer are satisfied the province has demonstrated the capacity to implement projects and that the conversion will not be likely to result in— 40

(a) underspending on the allocation; or

(b) a lesser level of service delivery compared to if the allocation is provided to the province as a Schedule 7 grant-in-kind. 45

(3) An allocation that is converted in terms of this section must be paid to or expended on behalf of the same province or municipality to which the allocation was originally made.

(4) A conversion referred to in subsection (1) or (2) takes effect on the date of publication referred to in section 15(2)(c). 50

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

**Unspent conditional allocations**

21. (1) Despite the provisions of the Public Finance Management Act or the Municipal Finance Management Act relating to roll-overs, any conditional allocation 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. 55 60

(2) The National Treasury, and a provincial treasury in the case of a provincially funded allocation, may, at the request of a transferring national officer, provincial treasury or municipality, approve—

- (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.

(3) (a) Any funds which must revert to the National Revenue Fund in terms of subsection (1), and which have not been approved by the National Treasury to be retained in terms of subsection (2), must be repaid to the National Revenue Fund.

(b) A receiving officer must ensure that all funds referred to in paragraph (a) are repaid to the National Revenue Fund.

(4) The National Treasury, in accordance with subsection (5), may offset any funds which must be repaid to the National Revenue Fund in terms of subsections (1) and (3), but which have not been repaid—

- (a) in the case of a province, against future advances for conditional allocations to that province; and
- (b) in the case of a municipality, against future advances for the equitable share or conditional allocations to that municipality.

(5) Prior to the National Treasury offsetting any amounts against allocations to a province or municipality in terms of subsection (4), the National Treasury must give the relevant transferring national officer, province or municipality—

- (a) written notice of the intention to offset amounts against upcoming advances for allocations; and
- (b) an opportunity, within 14 days of receipt of the notice referred to in paragraph (a), to—
  - (i) submit written representations and other documentary proof that the unspent allocation was either spent in accordance with the relevant framework, or is committed to identifiable projects;
  - (ii) propose alternative means acceptable to the National Treasury by which the unspent allocations can be repaid to the National Revenue Fund; and
  - (iii) propose an alternative payment schedule in terms of which the unspent allocations will be repaid to the National Revenue Fund.

(6) A notice contemplated in subsection (5) must include the intended amount to be offset against allocations, and the reasons for offsetting the amounts.

(7) The retention of funds which should revert to the National Revenue Fund in terms of subsections (1) and (3), and which have not been approved by the National Treasury to be retained in terms of subsection (2), constitutes financial misconduct by the receiving officer in terms of section 34.

#### **Part 4**

#### ***Matters relating to Schedule 1 to 8 allocations***

#### **Payment schedule**

22. (1) (a) The National Treasury determines the payment schedule for the transfer of a province's equitable share allocation, after consultation with the accounting officer of the provincial treasury.

(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.

(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 offset 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.

(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 sections 137, 139 or 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 the equitable share which has not yet fallen due for transfer in accordance with the payment schedule, be advanced to a municipality. 5

(c) Any advances in terms of paragraph (b) must be offset against transfers to the municipality which would otherwise become due in terms of that payment schedule. 10

(3) (a) The National Treasury must approve the payment schedule for the transfer of an allocation listed in Schedules 4 to 8 to a province or municipality.

(b) The transferring national officer of a Schedule 4, 5 or 6 allocation must submit a payment schedule to the National Treasury for approval within 14 days after this Act takes effect. 15

(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; and
- (ii) in relation to a Schedule 5 or 6 allocation, consult the relevant province or municipality. 20

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

(5) Schedule 4 and 6 transfers must accord with the municipal financial year.

#### **Amendment of payment schedule** 25

23. (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 17 or 18, 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. 30

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

- (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. 35

(3) A payment schedule amended in terms of subsection (1) or (2) must take account of— 40

- (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. 45

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

(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).

## **CHAPTER 4**

### **MATTERS RELATING TO ALL ALLOCATIONS** 50

#### **Transfers made in error or fraudulently**

24. (1) Despite anything to the contrary contained in any law, the transfer of an allocation that is an overpayment to a province, municipality or public entity in error or fraudulently is regarded as not legally due to that province, municipality or public entity, as the case may be. 55

(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 offset against future transfers to the province, municipality or public entity, which would otherwise become due in accordance with a payment schedule.

#### Allocations not listed in Schedules

5

25. (1) An allocation, other than—

(a) a re-allocation referred to in section 19; or

(b) a revised indicative allocation in respect of a Schedule 7 allocation, which is not listed in the Schedules referred to in sections 7 and 8, may only be made in terms of section 6(3).

10

(2) The National Treasury must publish the allocations referred to in subsection (1) and frameworks for such allocations in the *Gazette*, prior to the transfer of any funds to a province or municipality.

(3) The transferring national officer must notify the relevant provincial treasury and the National Treasury of the excess incentive payment earned to be appropriated either in the provincial adjustments appropriation bill, if made before the end of November each year, or in the appropriation bill for the next financial year.

15

(4) Subsection (2) does not apply to Schedule 8 allocations.

(5) A transfer to a province or municipality as a Schedule 8 allocation may only be made after the National Treasury has approved the transfer.

20

(6) (a) The transferring national officer must notify the relevant provincial treasury and the National Treasury in writing within 14 days of a transfer of a Schedule 8 allocation to a province or municipality.

(b) The National Treasury must publish a Schedule 8 allocation in the *Gazette* within 16 days after being notified in terms of paragraph (a).

25

(7) Schedule 8 allocations must be appropriated either in the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriation legislation.

(8) Any transfer received as a result of a performance in terms of a Schedule 8 Grant under the Division of Revenue Act, 2011 (Act No. 6 of 2011), must be used in accordance with the conditions that applied to Schedule 8 conditional allocations in terms of that Act.

30

#### Preparations for next financial year and 2014/15 financial year

26. (1) (a) A category C municipality that receives a conditional allocation in terms of this Act must, using the envisaged conditional allocations to that municipality for the next financial year and the 2014/15 financial year as set out in Column B of the Schedules, by 2 October 2012—

35

(i) agree on the provisional allocations and the projects to be funded from those allocations in the next financial year and the 2014/15 financial year with each category B municipality within the category C municipality's area of jurisdiction; and

40

(ii) submit to the transferring national officer—

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

(bb) the projects referred to in subparagraph (i), listed per municipality to be funded from the allocations for the next financial year and the 2014/15 financial year.

45

(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.

(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 referred to in paragraph (b).

50

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

55

(e) If agreement is not reached between the category C municipality and the category B municipality on the provisional allocations and projects referred to in paragraph (a) prior to 2 October 2012, the National Treasury may proceed to determine the provisional allocations and provide those provisional allocations to the municipalities concerned and the transferring national officer.

60

(f) (i) The final allocations based on the provisional allocations referred to in paragraphs (a)(i) and (ii) and (e) must be submitted to the National Treasury by 7 December 2012.

(ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 7 December 2012, the National Treasury may determine the appropriate allocations, taking into consideration the envisaged allocations for the next financial year. 5

(2) (a) The transferring national officer of a conditional allocation, using the envisaged conditional allocations for the next financial year and the 2014/15 financial year as set out in Column B of the Schedules to this Act, must, by 2 October 2012, submit to the National Treasury for approval— 10

- (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 15
- (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 for the next financial year of the allocation criteria of an existing conditional allocation 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). 20

(c) The National Treasury may, if the transferring national officer fails to comply with paragraph (a) by 2 October 2012, determine—

- (i) the provisional allocations in paragraph (a)(i); 25
- (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 2012. 30

(ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 7 December 2012, the National Treasury may determine the appropriate allocations, taking into consideration the envisaged allocations for the next financial year. 35

(3) 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. 40

### **Expenditure prior to commencement of Division of Revenue Act, 2013**

27. 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 2013, 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. 45

## **CHAPTER 5**

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

#### **Duties of municipalities** 50

28. (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 days after this Act takes effect, 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 2012/13 municipal financial year and the two following municipal financial years. 55

(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.

(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. 5

(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— 10

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

(b) a service delivery agreement for the provision of services by the category B municipality on behalf of the category C municipality has not been concluded. 15

(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 20

(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 that payment schedule to the National Treasury before the commencement of a municipal financial year. 25

(b) A category C municipality must make transfers in accordance with the payment schedule submitted in terms of paragraph (a). 30

(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); 35

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

(iii) submit a payment schedule in accordance with subsection (5)(a).

(b) Sections 17(3) and 18(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). 40

(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. 45

(8) In respect of the Human Settlements Development Grant, the financial and non-financial reporting that is required to be submitted by a municipality with a level three accreditation in terms of the framework must relate to the requirements specified in the framework. 50

(9) A municipality with a level three accreditation must submit the required monthly financial and quarterly performance reports to the receiving officer, the transferring national officer and the National Treasury. 55

### Duties of provincial treasuries

29. (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 days after this Act takes effect, publish the following in the *Gazette*: 5
- (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 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; 10
  - (iv) the envisaged division of the allocation contemplated in subparagraphs (i) and (ii), in respect of each municipality and school, for the next financial year and the 2014/15 financial year; 15
  - (v) the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs; and
  - (vi) the budget of each hospital in a format determined by the National Treasury. 20
- (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) If 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, which allocations must align to the appropriation bill as passed by the legislature, and which must be deemed to be final. 25
- (3) (a) Despite subsection (2) or 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). 30
- (b) Any amendments to the allocations published in terms of subsection (2)(a) must be published in the *Gazette* not later than 14 February 2013.
- (c) The allocations referred to in paragraph (a) must be deemed to be final if they are published in the *Gazette* in accordance with paragraph (b).
- (4) (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— 35
- (i) actual transfers received by the province from national departments;
  - (ii) actual expenditure on such allocations, excluding Schedule 4 allocations, up to the end of that month; and 40
  - (iii) actual transfers made by the province to municipalities, and actual expenditure by municipalities on such allocations, based on the information available from municipalities at the time of reporting.
- (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. 45
- (5) 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 50
    - (ii) that transfers are made promptly in accordance therewith; and
  - (b) submit the payment schedules to the National Treasury within 14 days of this Act taking effect.
- (6) Should a provincial treasury fail to comply with the requirement to make transfers promptly to a receiving officer in accordance with the agreed payment schedule, as required in terms of subsection (5)(a), the receiving officer concerned may request the provincial treasury to immediately make the transfer to the receiving officer, or to provide written reasons within three business days as to why the transfer has not been made. 55

(7) If a provincial treasury fails to either make the transfer requested by the receiving officer or provide reasons within the period stipulated in subsection (6), or if the receiving officer disputes the reasons provided by the provincial treasury as to why the transfer has not been made, then the receiving officer may request the National Treasury to investigate the matter with the provincial treasury concerned. 5

(8) When the National Treasury is requested to investigate a failure by a provincial treasury to promptly effect transfer to a receiving officer in terms of subsection (7), the National Treasury must investigate the matter, assess any reasons given by the provincial treasury as to why the transfer was not effected, and either direct the provincial treasury to immediately effect the transfer, or provide reasons to the receiving officer concerned confirming why the provincial treasury was correct in not effecting the transfer, and advise the provincial treasury and the receiving officer as to what steps must be taken. 10

### **Duties of National Treasury**

30. (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. 15

(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 25. 20

(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. 25

## **CHAPTER 6**

### **GENERAL**

#### **Allocations by public entities to provinces or municipalities**

31. 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 such grant, sponsorship or donation received. 30

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

32. (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. 35

(2) If 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. 40

(3) The amount of any such fruitless and wasteful expenditure must, in terms of the prescribed procedure, be recovered without delay from the person who caused the organ of state not to comply with the requirements of subsection (1). 45

#### **Irregular expenditure**

33. The following transfers constitute irregular expenditure in terms of the Public Finance Management Act and the Municipal Finance Management Act, as the case may be: 50

(a) A transfer prohibited in terms of section 16(2);



- (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; or
  - (ii) in respect of provinces, a corporation for public deposits account;
- (c) a transfer made in error or fraudulently as referred to in section 24(1); or 5
- (d) any transfer made or spending of an allocation in contravention of this Act or a framework published in terms of this Act.

### Financial misconduct

34. (1) Despite anything to the contrary contained in any law, any wilful or negligent non-compliance with a provision of this Act or a framework published in terms of this Act constitutes financial misconduct. 10

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

### Delegations and assignments

15

35. (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— 20

- (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. 25

(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.

(4) A Member of the Executive Council responsible for financial matters in a province may, in writing, delegate any of the powers entrusted to the Provincial Treasury of that province in terms of this Act and assign any of the duties imposed on the Provincial Treasury in terms of this Act, to an official of the Provincial Treasury. 30

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

### Exemptions

35

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

(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*. 40

### Regulations

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

- (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. 45

**Repeal of laws**

**38.** (1) Subject to subsection (2), the Division of Revenue Act, 2011 (Act No. 6 of 2011), with the exception of sections 15 and 38(1), is hereby repealed.

(2) The repeal of the Division of Revenue Act, 2011 (Act No. 6 of 2011), does not affect any obligation set out in that Act, the execution of which is still outstanding. 5

**Short title and commencement**

**39.** This Act is called the Division of Revenue Act, 2012, and takes effect on 1 April 2012 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             |                      |
|-------------------------|-----------------------|----------------------|----------------------|
|                         | 2012/13<br>Allocation | Forward Estimates    |                      |
|                         |                       | 2013/14              | 2014/15              |
|                         | <b>R'000</b>          | <b>R'000</b>         | <b>R'000</b>         |
| National <sup>1,2</sup> | 622 434 681           | 684 327 086          | 746 588 676          |
| Provincial              | 309 057 382           | 328 920 693          | 349 350 999          |
| Local                   | 37 873 396            | 40 581 787           | 43 638 905           |
| <b>TOTAL</b>            | <b>969 365 459</b>    | <b>1 053 829 566</b> | <b>1 139 578 580</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           |                    |
|---------------|-----------------------|--------------------|--------------------|
|               | 2012/13<br>Allocation | Forward Estimates  |                    |
|               |                       | 2013/14            | 2014/15            |
|               | <b>R'000</b>          | <b>R'000</b>       | <b>R'000</b>       |
| Eastern Cape  | 46 940 272            | 49 602 467         | 52 215 629         |
| Free State    | 18 531 165            | 19 466 736         | 20 412 571         |
| Gauteng       | 54 545 389            | 58 613 875         | 62 880 944         |
| KwaZulu-Natal | 67 802 913            | 72 579 341         | 77 551 103         |
| Limpopo       | 38 721 016            | 40 969 082         | 43 170 325         |
| Mpumalanga    | 24 874 453            | 26 287 888         | 27 698 217         |
| Northern Cape | 8 255 155             | 8 742 528          | 9 230 224          |
| North West    | 20 614 831            | 21 905 865         | 23 214 536         |
| Western Cape  | 28 772 188            | 30 752 911         | 32 977 450         |
| <b>TOTAL</b>  | <b>309 057 382</b>    | <b>328 920 693</b> | <b>349 350 999</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          |                  |
|   |                                       | 2012/13<br>Allocation   | Forward Estimates |                  |
|   |                                       | 2013/14                 | 2014/15           |                  |
|   |                                       | R'000                   | R'000             | R'000            |
| <b>EASTERN CAPE</b>                       |                                       |                         |                   |                  |
| A   | BUF Buffalo City                      | 651 565                 | 698 242           | 750 687          |
| A   | NMA Nelson Mandela Bay                | 729 226                 | 781 838           | 841 201          |
| B   | EC101 Camdeboo                        | 37 264                  | 40 259            | 43 479           |
| B   | EC102 Blue Crane Route                | 39 254                  | 42 313            | 45 631           |
| B   | EC103 Ikwezi                          | 15 627                  | 16 837            | 18 061           |
| B   | EC104 Makana                          | 67 002                  | 71 985            | 78 142           |
| B   | EC105 Ndlambe                         | 55 952                  | 60 093            | 65 146           |
| B   | EC106 Sundays River Valley            | 36 314                  | 39 288            | 42 463           |
| B   | EC107 Baviaans                        | 17 189                  | 18 509            | 19 857           |
| B   | EC108 Kouga                           | 47 299                  | 50 948            | 55 655           |
| B   | EC109 Kou-Kamma                       | 29 210                  | 31 556            | 34 077           |
| C   | DC10 Cacadu District Municipality     | 71 325                  | 74 517            | 78 566           |
| <b>Total: Cacadu Municipalities</b>       |                                       | <b>416 436</b>          | <b>446 305</b>    | <b>481 077</b>   |
| B   | EC121 Mbashe                          | 120 099                 | 129 065           | 140 344          |
| B   | EC122 Mquma                           | 154 089                 | 165 479           | 179 494          |
| B   | EC123 Great Kei                       | 31 853                  | 34 435            | 37 199           |
| B   | EC124 Amahlathi                       | 90 283                  | 96 982            | 105 295          |
| B   | EC126 Ngqushwa                        | 62 426                  | 67 037            | 72 708           |
| B   | EC127 Nkonkobe                        | 86 351                  | 92 780            | 100 812          |
| B   | EC128 Nxuba                           | 20 983                  | 22 670            | 24 483           |
| C   | DC12 Amatole District Municipality    | 583 540                 | 629 005           | 679 327          |
| <b>Total: Amatole Municipalities</b>      |                                       | <b>1 149 624</b>        | <b>1 237 453</b>  | <b>1 339 662</b> |
| B   | EC131 Inxuba Yethemba                 | 40 558                  | 43 575            | 47 324           |
| B   | EC132 Tsolwana                        | 24 741                  | 26 641            | 28 581           |
| B   | EC133 Inkwanca                        | 17 833                  | 19 199            | 20 599           |
| B   | EC134 Lukhanji                        | 109 210                 | 117 362           | 127 591          |
| B   | EC135 Intsika Yethu                   | 88 676                  | 96 006            | 103 803          |
| B   | EC136 Emalahleni                      | 69 797                  | 75 590            | 81 744           |
| B   | EC137 Engcobo                         | 76 102                  | 81 794            | 88 980           |
| B   | EC138 Sakhisizwe                      | 38 813                  | 41 691            | 45 258           |
| C   | DC13 Chris Hani District Municipality | 359 914                 | 386 308           | 415 728          |
| <b>Total: Chris Hani Municipalities</b>   |                                       | <b>825 644</b>          | <b>888 166</b>    | <b>959 608</b>   |
| B   | EC141 Elundini                        | 73 466                  | 79 520            | 85 966           |
| B   | EC142 Senqu                           | 89 723                  | 96 358            | 104 540          |
| B   | EC143 Maletswai                       | 22 944                  | 24 872            | 26 915           |
| B   | EC144 Gariep                          | 24 997                  | 27 021            | 29 190           |
| C   | DC14 Joe Gqabi District Municipality  | 166 056                 | 178 286           | 192 423          |
| <b>Total: Joe Gqabi Municipalities</b>    |                                       | <b>377 186</b>          | <b>406 057</b>    | <b>439 034</b>   |
| B   | EC153 Ngquza Hill                     | 111 157                 | 119 498           | 130 097          |
| B   | EC154 Port St Johns                   | 67 852                  | 73 630            | 79 720           |
| B   | EC155 Nyandeni                        | 127 388                 | 136 871           | 148 729          |
| B   | EC156 Mhlontlo                        | 99 507                  | 106 947           | 116 335          |
| B   | EC157 King Sabata Dalindyebo          | 169 531                 | 181 579           | 195 070          |
| C   | DC15 O.R. Tambo District Municipality | 449 945                 | 482 839           | 519 518          |
| <b>Total: O.R. Tambo Municipalities</b>   |                                       | <b>1 025 380</b>        | <b>1 101 364</b>  | <b>1 189 469</b> |
| B   | EC441 Matatiele                       | 105 328                 | 113 183           | 123 036          |
| B   | EC442 Umzimvubu                       | 106 050                 | 113 969           | 123 934          |
| B   | EC443 Mbizana                         | 112 442                 | 121 927           | 131 953          |
| B   | EC444 Ntabankulu                      | 62 559                  | 67 888            | 73 504           |
| C   | DC44 Alfred Nzo District Municipality | 297 598                 | 319 472           | 344 702          |
| <b>Total: Alfred Nzo Municipalities</b>   |                                       | <b>683 977</b>          | <b>736 439</b>    | <b>797 129</b>   |
| <b>Total: Eastern Cape Municipalities</b> |                                       | <b>5 859 038</b>        | <b>6 295 864</b>  | <b>6 797 867</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          |                  |
|   |   | 2012/13 Allocation      | Forward Estimates |                  |
|   |   | 2013/14                 | 2014/15           |                  |
|   |   | R'000                   | R'000             | R'000            |
| <b>FREE STATE</b>                               |   |                         |                   |                  |
| A   | MAN Mangaung                                  | 608 634                 | 652 171           | 701 138          |
| B   | FS161 Letsemeng                               | 50 533                  | 54 390            | 58 601           |
| B   | FS162 Kopanong                                | 88 546                  | 94 938            | 102 399          |
| B   | FS163 Mohokare                                | 51 002                  | 54 893            | 59 143           |
| B   | FS171 Naledi                                  | 37 182                  | 40 019            | 43 117           |
| C   | DC16 Xhariep District Municipality            | 22 802                  | 24 390            | 25 981           |
| <b>Total: Xhariep Municipalities</b>            |   | <b>250 065</b>          | <b>268 630</b>    | <b>289 241</b>   |
| B   | FS181 Masilonyana                             | 81 091                  | 86 995            | 94 013           |
| B   | FS182 Tokologo                                | 43 058                  | 46 228            | 49 628           |
| B   | FS183 Tswelopele                              | 62 058                  | 66 570            | 71 927           |
| B   | FS184 Matjhabeng                              | 432 357                 | 463 211           | 497 815          |
| B   | FS185 Nala                                    | 134 966                 | 144 722           | 156 133          |
| C   | DC18 Lejweleputswa District Municipality      | 97 137                  | 101 178           | 105 517          |
| <b>Total: Lejweleputswa Municipalities</b>      |   | <b>850 667</b>          | <b>908 904</b>    | <b>975 033</b>   |
| B   | FS191 Setsoto                                 | 165 468                 | 177 472           | 191 625          |
| B   | FS192 Dihlabeng                               | 129 367                 | 138 891           | 150 388          |
| B   | FS193 Nketoana                                | 77 933                  | 83 599            | 90 308           |
| B   | FS194 Maluti-a-Phofung                        | 338 076                 | 362 119           | 389 051          |
| B   | FS195 Phumelela                               | 56 039                  | 60 124            | 65 001           |
| B   | FS196 Mantsopa                                | 66 714                  | 71 652            | 77 449           |
| C   | DC19 Thabo Mofutsanyana District Municipality | 76 578                  | 80 100            | 83 914           |
| <b>Total: Thabo Mofutsanyana Municipalities</b> |   | <b>910 175</b>          | <b>973 957</b>    | <b>1 047 736</b> |
| B   | FS201 Moqhaka                                 | 163 244                 | 175 215           | 189 641          |
| B   | FS203 Ngwathe                                 | 153 983                 | 165 209           | 178 575          |
| B   | FS204 Metsimaholo                             | 97 653                  | 104 647           | 112 501          |
| B   | FS205 Mafube                                  | 75 102                  | 80 555            | 87 006           |
| C   | DC20 Fezile Dabi                              | 131 146                 | 135 887           | 140 897          |
| <b>Total: Fezile Dabi Municipalities</b>        |   | <b>621 128</b>          | <b>661 513</b>    | <b>708 620</b>   |
| <b>Total: Free State Municipalities</b>         |   | <b>3 240 669</b>        | <b>3 465 175</b>  | <b>3 721 768</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          |  |
|  |       |                                 |                  | 2012/13<br>Allocation   | Forward Estimates |  |
|  |       | R'000                           | 2013/14<br>R'000 | 2014/15<br>R'000        |                   |  |
| <b>GAUTENG</b>                         |       |                                 |                  |                         |                   |  |
| A                                      | EKU   | Ekurhuleni                      | 1 825 341        | 1 957 841               | 2 107 743         |  |
| A                                      | JHB   | City of Johannesburg            | 2 125 543        | 2 281 428               | 2 458 593         |  |
| A                                      | TSH   | City of Tshwane                 | 1 040 630        | 1 117 278               | 1 204 520         |  |
| B                                      | GT421 | Emfuleni                        | 597 485          | 640 148                 | 688 010           |  |
| B                                      | GT422 | Midvaal                         | 50 833           | 54 698                  | 59 601            |  |
| B                                      | GT423 | Lesedi                          | 59 701           | 64 159                  | 69 690            |  |
| C                                      | DC42  | Sedibeng District Municipality  | 226 009          | 234 056                 | 242 549           |  |
| <b>Total: Sedibeng Municipalities</b>  |       |                                 | <b>934 028</b>   | <b>993 061</b>          | <b>1 059 850</b>  |  |
| B                                      | GT481 | Mogale City                     | 210 117          | 225 189                 | 242 126           |  |
| B                                      | GT482 | Randfontein                     | 92 992           | 100 007                 | 108 795           |  |
| B                                      | GT483 | Westonaria                      | 98 840           | 106 089                 | 114 838           |  |
| B                                      | GT484 | Merafong City                   | 185 846          | 199 081                 | 213 914           |  |
| C                                      | DC48  | West Rand District Municipality | 166 903          | 173 274                 | 180 056           |  |
| <b>Total: West Rand Municipalities</b> |       |                                 | <b>754 698</b>   | <b>803 640</b>          | <b>859 729</b>    |  |
| <b>Total: Gauteng Municipalities</b>   |       |                                 | <b>6 680 240</b> | <b>7 153 248</b>        | <b>7 690 435</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          |                |
|  |  | 2012/13<br>Allocation   | Forward Estimates |                |
|  |  | 2013/14                 | 2014/15           |                |
|  |  | R'000                   | R'000             | R'000          |
| <b>KWAZULU-NATAL</b>                       |  |                         |                   |                |
| A  | ETH eThekweni                            | 1 769 412               | 1 899 944         | 2 048 545      |
| B  | KZN211 Vulamehlo                         | 35 614                  | 38 287            | 41 687         |
| B  | KZN212 Umdoni                            | 27 805                  | 29 934            | 32 712         |
| B  | KZN213 Umzumbe                           | 86 177                  | 93 230            | 100 756        |
| B  | KZN214 UMuziwabantu                      | 43 500                  | 46 725            | 50 723         |
| B  | KZN215 Eziqoleni                         | 26 036                  | 28 154            | 30 418         |
| B  | KZN216 Hibiscus Coast                    | 85 382                  | 91 574            | 98 560         |
| C  | DC21 Ugu District Municipality           | 260 269                 | 279 554           | 301 024        |
| <b>Total: Ugu Municipalities</b>           |  | <b>564 783</b>          | <b>607 458</b>    | <b>655 880</b> |
| B  | KZN221 uMshwathi                         | 55 649                  | 60 240            | 65 128         |
| B  | KZN222 uMngeni                           | 35 302                  | 38 035            | 41 588         |
| B  | KZN223 Mooi Mpfana                       | 21 925                  | 23 656            | 25 526         |
| B  | KZN224 Impendle                          | 23 775                  | 25 561            | 27 431         |
| B  | KZN225 Msunduzi                          | 338 903                 | 363 502           | 391 259        |
| B  | KZN226 Mkhambathini                      | 28 180                  | 30 526            | 33 016         |
| B  | KZN227 Richmond                          | 29 266                  | 31 689            | 34 266         |
| C  | DC22 Umgungundlovu District Municipality | 314 311                 | 339 503           | 367 300        |
| <b>Total: Umgungundlovu Municipalities</b> |  | <b>847 311</b>          | <b>912 712</b>    | <b>985 514</b> |
| B  | KZN232 Emnambithi/Ladysmith              | 106 393                 | 114 388           | 124 440        |
| B  | KZN233 Indaka                            | 59 607                  | 64 330            | 69 422         |
| B  | KZN234 Umtshezi                          | 29 644                  | 31 893            | 34 766         |
| B  | KZN235 Okhahlamba                        | 62 494                  | 67 133            | 72 896         |
| B  | KZN236 Imbabazane                        | 64 585                  | 69 783            | 75 360         |
| C  | DC23 Uthukela District Municipality      | 253 410                 | 272 002           | 292 725        |
| <b>Total: Uthukela Municipalities</b>      |  | <b>576 133</b>          | <b>619 529</b>    | <b>669 609</b> |
| B  | KZN241 Endumeni                          | 32 355                  | 34 927            | 38 510         |
| B  | KZN242 Nquthu                            | 71 672                  | 77 027            | 83 774         |
| B  | KZN244 Msinga                            | 69 621                  | 75 475            | 81 668         |
| B  | KZN245 Umvoti                            | 41 962                  | 45 103            | 49 070         |
| C  | DC24 Umzinyathi District Municipality    | 177 373                 | 190 325           | 204 767        |
| <b>Total: Umzinyathi Municipalities</b>    |  | <b>392 983</b>          | <b>422 857</b>    | <b>457 789</b> |
| B  | KZN252 Newcastle                         | 270 475                 | 289 781           | 311 436        |
| B  | KZN253 Emadlangeni                       | 13 989                  | 15 082            | 16 177         |
| B  | KZN254 Dannhauser                        | 47 617                  | 51 514            | 55 674         |
| C  | DC25 Amajuba District Municipality       | 97 319                  | 105 075           | 113 636        |
| <b>Total: Amajuba Municipalities</b>       |  | <b>429 400</b>          | <b>461 452</b>    | <b>496 923</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          |                  |
|  |   | 2012/13<br>Allocation   | Forward Estimates |                  |
|  |   | 2013/14                 | 2014/15           |                  |
|  |   | R'000                   | R'000             | R'000            |
| B  | KZN261 eDumbe                           | 36 417                  | 39 110            | 42 431           |
| B  | KZN262 uPhongolo                        | 59 760                  | 64 198            | 69 715           |
| B  | KZN263 Abaqulusi                        | 79 053                  | 84 983            | 92 518           |
| B  | KZN265 Nongoma                          | 72 001                  | 77 416            | 84 334           |
| B  | KZN266 Ulundi                           | 78 231                  | 84 129            | 91 692           |
| C  | DC26 Zululand District Municipality     | 258 854                 | 277 840           | 299 001          |
| <b>Total: Zululand Municipalities</b>      |   | <b>584 316</b>          | <b>627 676</b>    | <b>679 691</b>   |
| B  | KZN271 Umhlabuyalingana                 | 56 693                  | 61 556            | 66 670           |
| B  | KZN272 Jozini                           | 73 817                  | 80 044            | 86 626           |
| B  | KZN273 The Big Five False Bay           | 14 141                  | 15 245            | 16 350           |
| B  | KZN274 Hlabisa                          | 25 755                  | 27 978            | 30 311           |
| B  | KZN275 Mtubatuba                        | 48 763                  | 53 165            | 57 725           |
| C  | DC27 Umkhanyakude District Municipality | 176 384                 | 189 272           | 203 644          |
| <b>Total: Umkhanyakude Municipalities</b>  |   | <b>395 553</b>          | <b>427 260</b>    | <b>461 326</b>   |
| B  | KZN281 Mfolozi                          | 43 392                  | 47 213            | 51 199           |
| B  | KZN282 uMhlathuze                       | 179 139                 | 191 975           | 206 393          |
| B  | KZN283 Ntambanana                       | 20 311                  | 22 148            | 24 049           |
| B  | KZN284 uMlalazi                         | 79 831                  | 85 881            | 93 715           |
| B  | KZN285 Mthonjaneni                      | 25 107                  | 26 969            | 29 278           |
| B  | KZN286 Nkandla                          | 50 777                  | 55 046            | 59 564           |
| C  | DC28 uThungulu District Municipality    | 328 762                 | 355 051           | 384 065          |
| <b>Total: Uthungulu Municipalities</b>     |   | <b>727 319</b>          | <b>784 283</b>    | <b>848 263</b>   |
| B  | KZN291 Mandeni                          | 65 009                  | 69 874            | 76 014           |
| B  | KZN292 KwaDukuza                        | 72 649                  | 77 913            | 83 848           |
| B  | KZN293 Ndwedwe                          | 58 371                  | 62 782            | 68 474           |
| B  | KZN294 Maphumulo                        | 48 830                  | 52 838            | 57 111           |
| C  | DC29 iLembe District Municipality       | 228 010                 | 245 123           | 264 146          |
| <b>Total: iLembe Municipalities</b>        |   | <b>472 869</b>          | <b>508 530</b>    | <b>549 593</b>   |
| B  | KZN431 Ingwe                            | 50 739                  | 54 883            | 59 308           |
| B  | KZN432 Kwa Sani                         | 12 054                  | 13 013            | 13 957           |
| B  | KZN433 Greater Kokstad                  | 48 477                  | 52 054            | 56 391           |
| B  | KZN434 Ubuhlebezwe                      | 50 309                  | 54 472            | 58 900           |
| B  | KZN435 Umzimkhulu                       | 85 299                  | 91 643            | 99 559           |
| C  | DC43 Sisonke District Municipality      | 203 556                 | 218 521           | 235 753          |
| <b>Total: Sisonke Municipalities</b>       |   | <b>450 434</b>          | <b>484 586</b>    | <b>523 868</b>   |
| <b>Total: KwaZulu-Natal Municipalities</b> |   | <b>7 210 513</b>        | <b>7 756 287</b>  | <b>8 377 001</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          |                  |
|   |                                       | 2012/13<br>Allocation   | Forward Estimates |                  |
|   |                                       | 2013/14                 | 2014/15           |                  |
|   |                                       | R'000                   | R'000             | R'000            |
| <b>LIMPOPO</b>                          |                                       |                         |                   |                  |
| B                                       | LIM331 Greater Giyani                 | 132 615                 | 142 462           | 154 706          |
| B                                       | LIM332 Greater Letaba                 | 133 166                 | 143 030           | 155 233          |
| B                                       | LIM333 Greater Tzaneen                | 195 684                 | 209 576           | 225 129          |
| B                                       | LIM334 Ba-Phalaborwa                  | 61 461                  | 66 094            | 72 018           |
| B                                       | LIM335 Maruleng                       | 53 513                  | 57 977            | 62 712           |
| C                                       | DC33 Mopani District Municipality     | 463 410                 | 497 516           | 535 513          |
| <b>Total: Mopani Municipalities</b>     |                                       | <b>1 039 849</b>        | <b>1 116 655</b>  | <b>1 205 311</b> |
| B                                       | LIM341 Musina                         | 31 447                  | 33 978            | 36 696           |
| B                                       | LIM342 Mutale                         | 42 892                  | 46 578            | 50 453           |
| B                                       | LIM343 Thulamela                      | 260 695                 | 279 187           | 299 881          |
| B                                       | LIM344 Makhado                        | 235 434                 | 252 135           | 270 826          |
| C                                       | DC34 Vhembe District Municipality     | 476 439                 | 511 035           | 549 640          |
| <b>Total: Vhembe Municipalities</b>     |                                       | <b>1 046 907</b>        | <b>1 122 913</b>  | <b>1 207 496</b> |
| B                                       | LIM351 Blouberg                       | 90 331                  | 97 038            | 105 381          |
| B                                       | LIM352 Aganang                        | 75 680                  | 81 964            | 88 640           |
| B                                       | LIM353 Molemole                       | 74 498                  | 80 450            | 86 851           |
| B                                       | LIM354 Polokwane                      | 388 232                 | 415 871           | 446 844          |
| B                                       | LIM355 Lepelle-Nkumpi                 | 124 157                 | 133 381           | 144 867          |
| C                                       | DC35 Capricorn District Municipality  | 402 162                 | 433 214           | 467 620          |
| <b>Total: Capricorn Municipalities</b>  |                                       | <b>1 155 060</b>        | <b>1 241 918</b>  | <b>1 340 203</b> |
| B                                       | LIM361 Thabazimbi                     | 60 104                  | 64 551            | 70 003           |
| B                                       | LIM362 Lephale                        | 80 984                  | 86 919            | 94 055           |
| B                                       | LIM364 Mookgopong                     | 25 758                  | 27 837            | 30 070           |
| B                                       | LIM365 Modimolle                      | 56 393                  | 60 536            | 65 544           |
| B                                       | LIM366 Bela-Bela                      | 45 008                  | 48 339            | 52 420           |
| B                                       | LIM367 Mogalakwena                    | 249 145                 | 266 832           | 286 633          |
| C                                       | DC36 Waterberg District Municipality  | 90 530                  | 94 219            | 98 171           |
| <b>Total: Waterberg Municipalities</b>  |                                       | <b>607 922</b>          | <b>649 233</b>    | <b>696 896</b>   |
| B                                       | LIM471 Ephraim Mogale                 | 68 729                  | 73 838            | 80 210           |
| B                                       | LIM472 Elias Motsoaledi               | 129 556                 | 139 187           | 151 191          |
| B                                       | LIM473 Makhuduthamaga                 | 143 213                 | 153 818           | 166 931          |
| B                                       | LIM474 Fetakgomo                      | 46 115                  | 50 004            | 54 116           |
| B                                       | LIM475 Greater Tubatse                | 129 796                 | 139 462           | 151 546          |
| C                                       | DC47 Sekhukhune District Municipality | 365 585                 | 392 479           | 422 445          |
| <b>Total: Sekhukhune Municipalities</b> |                                       | <b>882 994</b>          | <b>948 788</b>    | <b>1 026 439</b> |
| <b>Total: Limpopo Municipalities</b>    |                                       | <b>4 732 732</b>        | <b>5 079 507</b>  | <b>5 476 345</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          |                  |
|   |   | 2012/13<br>Allocation   | Forward Estimates |                  |
|   |   | 2013/14                 | 2014/15           |                  |
|   |   | R'000                   | R'000             | R'000            |
| <b>MPUMALANGA</b>                         |   |                         |                   |                  |
| B   | MP301 Albert Luthuli                    | 159 110                 | 170 758           | 184 796          |
| B   | MP302 Msukaligwa                        | 105 157                 | 112 916           | 122 383          |
| B   | MP303 Mkhondo                           | 100 346                 | 107 747           | 116 808          |
| B   | MP304 Pixley Ka Seme                    | 84 113                  | 90 238            | 97 522           |
| B   | MP305 Lekwa                             | 79 067                  | 84 916            | 92 081           |
| B   | MP306 Dipaleseng                        | 44 041                  | 47 466            | 51 183           |
| B   | MP307 Govan Mbeki                       | 189 937                 | 203 551           | 218 845          |
| C   | DC30 Gert Sibande District Municipality | 252 910                 | 261 780           | 271 123          |
| <b>Total: Gert Sibande Municipalities</b> |   | <b>1 014 681</b>        | <b>1 079 372</b>  | <b>1 154 741</b> |
| B   | MP311 Victor Khanye                     | 50 861                  | 54 608            | 59 155           |
| B   | MP312 Emalahleni                        | 181 640                 | 194 669           | 209 309          |
| B   | MP313 Steve Tshwete                     | 85 818                  | 92 016            | 98 998           |
| B   | MP314 Emakhazeni                        | 35 648                  | 38 555            | 41 666           |
| B   | MP315 Thembisile Hani                   | 221 044                 | 237 192           | 256 569          |
| B   | MP316 Dr JS Moroka                      | 230 199                 | 248 061           | 267 452          |
| C   | DC31 Nkangala District Municipality     | 299 711                 | 310 161           | 321 160          |
| <b>Total: Nkangala Municipalities</b>     |   | <b>1 104 921</b>        | <b>1 175 262</b>  | <b>1 254 309</b> |
| B   | MP321 Thaba Chweu                       | 75 312                  | 80 866            | 87 638           |
| B   | MP322 Mbombela                          | 312 298                 | 334 542           | 359 474          |
| B   | MP323 Umjindi                           | 48 789                  | 52 391            | 56 793           |
| B   | MP324 Nkomazi                           | 259 653                 | 278 075           | 298 694          |
| B   | MP325 Bushbuckridge                     | 445 036                 | 477 143           | 514 585          |
| C   | DC32 Ehlanzeni District Municipality    | 178 734                 | 186 053           | 193 896          |
| <b>Total: Ehlanzeni Municipalities</b>    |   | <b>1 319 822</b>        | <b>1 409 070</b>  | <b>1 511 080</b> |
| <b>Total: Mpumalanga Municipalities</b>   |   | <b>3 439 424</b>        | <b>3 663 704</b>  | <b>3 920 130</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          |                  |
|  |  | 2012/13<br>Allocation   | Forward Estimates |                  |
|  |  | 2013/14                 | 2014/15           |                  |
|  |  | R'000                   | R'000             | R'000            |
| <b>NORTHERN CAPE</b>                             |  |                         |                   |                  |
| B  | NC061 Richtersveld                             | 11 904                  | 12 950            | 14 044           |
| B  | NC062 Nama Khoi                                | 32 468                  | 35 199            | 38 095           |
| B  | NC064 Kamiesberg                               | 12 477                  | 13 463            | 14 438           |
| B  | NC065 Hantam                                   | 20 014                  | 21 659            | 23 414           |
| B  | NC066 Karoo Hoogland                           | 13 175                  | 14 209            | 15 238           |
| B  | NC067 Khâi-Ma                                  | 12 489                  | 13 476            | 14 451           |
| C  | DC6 Namakwa District Municipality              | 32 116                  | 33 572            | 35 447           |
| <b>Total: Namakwa Municipalities</b>             |  | <b>134 643</b>          | <b>144 528</b>    | <b>155 127</b>   |
| B  | NC071 Ubuntu                                   | 17 705                  | 19 161            | 20 713           |
| B  | NC072 Umsobomvu                                | 29 319                  | 31 648            | 34 159           |
| B  | NC073 Emthanjeni                               | 34 322                  | 37 112            | 40 103           |
| B  | NC074 Kareeberg                                | 11 941                  | 12 963            | 14 039           |
| B  | NC075 Renosterberg                             | 14 691                  | 15 834            | 16 984           |
| B  | NC076 Thembelihle                              | 14 630                  | 15 769            | 16 915           |
| B  | NC077 Siyathemba                               | 20 108                  | 21 735            | 23 480           |
| B  | NC078 Siyancuma                                | 35 680                  | 38 485            | 41 518           |
| C  | DC7 Pixley Ka Seme District Municipality       | 27 054                  | 28 797            | 30 532           |
| <b>Total: Pixley Ka Seme Municipalities</b>      |  | <b>205 450</b>          | <b>221 504</b>    | <b>238 443</b>   |
| B  | NC081 Mier                                     | 9 959                   | 10 766            | 11 541           |
| B  | NC082 Kai !Garib                               | 46 950                  | 50 407            | 54 622           |
| B  | NC083 //Khara Hais                             | 52 652                  | 56 623            | 61 632           |
| B  | NC084 !Kheis                                   | 15 852                  | 17 077            | 18 318           |
| B  | NC085 Tsantsabane                              | 25 422                  | 27 500            | 29 720           |
| B  | NC086 Kgatelopele                              | 14 659                  | 15 898            | 17 207           |
|  | DC8 Siyanda District Municipality              | 42 890                  | 44 870            | 47 435           |
| <b>Total: Siyanda Municipalities</b>             |  | <b>208 384</b>          | <b>223 141</b>    | <b>240 475</b>   |
| B  | NC091 Sol Plaatje                              | 146 493                 | 157 014           | 168 840          |
| B  | NC092 Dikgatlong                               | 44 948                  | 48 459            | 52 263           |
| B  | NC093 Magareng                                 | 28 704                  | 30 964            | 33 406           |
| B  | NC094 Phokwane                                 | 63 719                  | 68 373            | 73 950           |
| C  | DC9 Frances Baard District Municipality        | 87 442                  | 91 004            | 99 640           |
| <b>Total: Frances Baard Municipalities</b>       |  | <b>371 306</b>          | <b>395 814</b>    | <b>428 099</b>   |
| B  | NC451 Joe Morolong                             | 72 127                  | 77 961            | 84 209           |
| B  | NC452 Ga-Segonyana                             | 65 874                  | 70 737            | 76 691           |
| B  | NC453 Gamagara                                 | 20 705                  | 22 428            | 24 263           |
| C  | DC45 John Taolo Gaetsewe District Municipality | 55 361                  | 58 251            | 61 815           |
| <b>Total: John Taolo Gaetsewe Municipalities</b> |  | <b>214 067</b>          | <b>229 377</b>    | <b>246 978</b>   |
| <b>Total: Northern Cape Municipalities</b>       |  | <b>1 133 850</b>        | <b>1 214 364</b>  | <b>1 309 122</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          |                  |                  |
|  |              | 2012/13<br>Allocation                           | Forward Estimates |                  |                  |
|  |              | 2013/14   | 2014/15           |                  |                  |
|  |              | R'000   | R'000             | R'000            |                  |
| <b>NORTH WEST</b>                                      |              |   |                   |                  |                  |
| B  | NW371        | Moretele  | 155 654           | 168 055          | 181 403          |
| B  | NW372        | Madibeng  | 273 733           | 293 205          | 315 018          |
| B  | NW373        | Rustenburg                                      | 256 520           | 274 824          | 295 354          |
| B  | NW374        | Kgetlengrivier                                  | 42 641            | 45 963           | 49 565           |
| B  | NW375        | Moses Kotane                                    | 228 799           | 245 488          | 265 434          |
| C  | DC37         | Bojanala Platinum District Municipality         | 239 064           | 248 045          | 257 581          |
| <b>Total: Bojanala Platinum Municipalities</b>         |              |   | <b>1 196 411</b>  | <b>1 275 580</b> | <b>1 364 355</b> |
| B  | NW381        | Ratlou  | 67 258            | 72 722           | 78 566           |
| B  | NW382        | Tswaing   | 63 830            | 68 580           | 74 508           |
| B  | NW383        | Mafikeng  | 121 440           | 130 078          | 139 755          |
| B  | NW384        | Ditsobotla                                      | 79 407            | 85 348           | 92 853           |
| B  | NW385        | Ramotshere Moiloa                               | 80 152            | 86 125           | 93 607           |
| C  | DC38         | Ngaka Modiri Molema                             | 394 002           | 423 958          | 457 207          |
| <b>Total: Ngaka Modiri Molema Municipalities</b>       |              |   | <b>806 089</b>    | <b>866 811</b>   | <b>936 496</b>   |
| B  | NW392        | Naledi  | 33 235            | 35 740           | 38 918           |
| B  | NW393        | Mamusa  | 31 940            | 34 578           | 37 385           |
| B  | NW394        | Greater Taung                                   | 100 547           | 108 941          | 117 842          |
| B  | NW396        | Lekwa-Teemane                                   | 28 302            | 30 659           | 33 163           |
| B  | NW397        | NW397   | 66 113            | 71 545           | 77 334           |
| C  | DC39         | Dr Ruth Segomotsi Mompati District Municipality | 209 603           | 225 141          | 196 841          |
| <b>Total: Dr Ruth Segomotsi Mompati Municipalities</b> |              |   | <b>469 740</b>    | <b>506 604</b>   | <b>501 483</b>   |
| B  | NW401        | Ventersdorp                                     | 45 869            | 49 420           | 53 279           |
| B  | NW402        | Tlokwe  | 85 150            | 91 264           | 98 136           |
| B  | NW403        | City of Matlosana                               | 335 773           | 359 709          | 386 545          |
| B  | NW404        | Maquassi Hills                                  | 77 840            | 83 519           | 90 304           |
| C  | DC40         | Dr Kenneth Kaunda District Municipality         | 156 438           | 156 023          | 161 865          |
| <b>Total: Dr Kenneth Kaunda Municipalities</b>         |              |   | <b>701 070</b>    | <b>739 935</b>   | <b>790 129</b>   |
| <b>Total: North West Municipalities</b>                |              |   | <b>3 173 310</b>  | <b>3 388 930</b> | <b>3 592 463</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          |                   |
|   |  | 2012/13<br>Allocation   | Forward Estimates |                   |
|   |  | 2013/14                 | 2014/15           |                   |
|   |  | R'000                   | R'000             | R'000             |
| <b>WESTERN CAPE</b>                         |  |                         |                   |                   |
| A   | CPT City of Cape Town                    | 1 084 416               | 1 165 272         | 1 257 857         |
| B   | WC011 Matzikama                          | 36 388                  | 39 092            | 42 429            |
| B   | WC012 Cederberg                          | 26 013                  | 28 144            | 30 429            |
| B   | WC013 Bergrivier                         | 22 679                  | 24 627            | 26 689            |
| B   | WC014 Saldanha Bay                       | 34 054                  | 36 735            | 40 276            |
| B   | WC015 Swartland                          | 26 752                  | 28 867            | 31 723            |
| C   | DC1 West Coast District Municipality     | 70 000                  | 72 212            | 74 954            |
| <b>Total: West Coast Municipalities</b>     |  | <b>215 886</b>          | <b>229 677</b>    | <b>246 500</b>    |
| B   | WC022 Witzenberg                         | 46 200                  | 49 664            | 54 018            |
| B   | WC023 Drakenstein                        | 69 397                  | 74 441            | 80 136            |
| B   | WC024 Stellenbosch                       | 41 241                  | 44 284            | 47 736            |
| B   | WC025 Breede Valley                      | 62 986                  | 67 524            | 72 632            |
| B   | WC026 Langeberg                          | 51 280                  | 55 105            | 59 863            |
| C   | DC2 Cape Winelands District Municipality | 205 814                 | 210 513           | 217 832           |
| <b>Total: Cape Winelands Municipalities</b> |  | <b>476 918</b>          | <b>501 531</b>    | <b>532 217</b>    |
| B   | WC031 Theewaterskloof                    | 53 343                  | 57 332            | 62 316            |
| B   | WC032 Overstrand                         | 36 146                  | 38 984            | 42 707            |
| B   | WC033 Cape Agulhas                       | 16 877                  | 18 315            | 19 845            |
| B   | WC034 Swellendam                         | 18 897                  | 20 474            | 22 158            |
| C   | DC3 Overberg District Municipality       | 43 926                  | 45 929            | 48 516            |
| <b>Total: Overberg Municipalities</b>       |  | <b>169 189</b>          | <b>181 034</b>    | <b>195 542</b>    |
| B   | WC041 Kannaland                          | 18 989                  | 20 515            | 22 158            |
| B   | WC042 Hessequa                           | 26 522                  | 28 810            | 31 232            |
| B   | WC043 Mossel Bay                         | 42 495                  | 45 755            | 49 973            |
| B   | WC044 George                             | 80 370                  | 86 196            | 92 766            |
| B   | WC045 Oudtshoorn                         | 43 034                  | 46 290            | 50 452            |
| B   | WC047 Bitou                              | 23 375                  | 25 403            | 27 568            |
| B   | WC048 Knysna                             | 30 859                  | 33 272            | 36 395            |
| C   | DC4 Eden District Municipality           | 125 699                 | 129 788           | 134 520           |
| <b>Total: Eden Municipalities</b>           |  | <b>391 343</b>          | <b>416 029</b>    | <b>445 064</b>    |
| B   | WC051 Laingsburg                         | 9 536                   | 10 316            | 11 060            |
| B   | WC052 Prince Albert                      | 10 586                  | 11 438            | 12 262            |
| B   | WC053 Beaufort West                      | 32 765                  | 35 411            | 38 273            |
| C   | DC5 Central Karoo District Municipality  | 12 981                  | 14 000            | 14 999            |
| <b>Total: Central Karoo Municipalities</b>  |  | <b>65 868</b>           | <b>71 165</b>     | <b>76 594</b>     |
| <b>Total: Western Cape Municipalities</b>   |  | <b>2 403 620</b>        | <b>2 564 708</b>  | <b>2 753 774</b>  |
| <b>National Total</b>                       |  | <b>37 873 396</b>       | <b>40 581 787</b> | <b>43 638 905</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          |                  |
|--|--|---|---|------------------|-----------------------|-------------------|------------------|
|  |  |   |   |                  | 2012/13<br>Allocation | Forward Estimates |                  |
|  |  |   |   |                  |                       | 2013/14           | 2014/15          |
| <b>Agriculture, Forestry and Fisheries (Vote 26)</b> | Comprehensive Agricultural Support Programme Grant | To expand the provision of agricultural support services, promote and facilitate agricultural development by targeting smallholding and previously disadvantaged farmers thereby contributing to the Zero Hunger Strategy.                              | General conditional allocation to provinces | Eastern Cape     | R'000                 | R'000             | R'000            |
|  |  |   |   | Free State       | 197 209               | 217 565           | 228 810          |
|  |  |   |   | Gauteng          | 126 829               | 140 305           | 146 531          |
|  |  |   |   | KwaZulu-Natal    | 48 016                | 53 481            | 60 816           |
|  |  |   |   | Limpopo          | 183 726               | 202 522           | 212 632          |
|  |  |   |   | Mpumalanga       | 192 243               | 205 597           | 215 561          |
|  |  |   |   | Northern Cape    | 114 829               | 130 683           | 134 547          |
|  |  |   |   | North West       | 424 999               | 375 329           | 378 390          |
|  |  |   |   | Western Cape     | 155 277               | 169 679           | 179 410          |
|  |  |   |   |                  | 91 863                | 104 859           | 108 394          |
|  | <b>TOTAL</b>                                       | <b>1 534 991</b>  | <b>1 600 020</b>                            | <b>1 665 091</b> |                       |                   |                  |
| <b>Basic Education (Vote 15)</b>                     | Education Infrastructure Grant                     | To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education; to enhance capacity to deliver infrastructure in education; to address damage to school infrastructure caused by disasters. | General conditional allocation to provinces | Eastern Cape     | 883 403               | 1 026 115         | 1 023 645        |
|  |  |   |   | Free State       | 459 635               | 476 004           | 487 142          |
|  |  |   |   | Gauteng          | 512 866               | 546 004           | 537 105          |
|  |  |   |   | KwaZulu-Natal    | 1 247 477             | 1 318 435         | 1 373 989        |
|  |  |   |   | Limpopo          | 942 091               | 988 433           | 918 075          |
|  |  |   |   | Mpumalanga       | 530 711               | 539 520           | 593 387          |
|  |  |   |   | Northern Cape    | 307 609               | 321 714           | 337 252          |
|  |  |   |   | North West       | 507 200               | 529 489           | 543 350          |
|  |  |   |   | Western Cape     | 431 397               | 451 931           | 455 916          |
|  |  |   |   |                  | <b>TOTAL</b>          | <b>5 822 389</b>  | <b>6 197 645</b> |
| <b>Health (Vote 16)</b>                              | (a) Health Infrastructure Grant                    | To supplement provincial funding of health infrastructure to address backlogs, accelerate the provision of health facilities and ensure proper life cycle maintenance of provincial health infrastructure.  | General conditional allocation to provinces | Eastern Cape     | 258 862               | 276 982           | 305 244          |
|  |  |   |   | Free State       | 139 073               | 147 417           | 158 293          |
|  |  |   |   | Gauteng          | 110 361               | 116 983           | 127 859          |
|  |  |   |   | KwaZulu-Natal    | 393 367               | 416 969           | 427 845          |
|  |  |   |   | Limpopo          | 267 888               | 283 961           | 294 837          |
|  |  |   |   | Mpumalanga       | 108 971               | 115 509           | 126 385          |
|  |  |   |   | Northern Cape    | 98 258                | 104 154           | 115 029          |
|  |  |   |   | North West       | 112 790               | 119 863           | 130 739          |
|  |  |   |   | Western Cape     | 131 411               | 139 296           | 150 171          |
|  |  |   |   |                  | <b>TOTAL</b>          | <b>1 620 981</b>  | <b>1 721 134</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   |   |
|--|---|--|---|--|--|--|---|
|  |   |  |   |  | 2012/13<br>Allocation  | Forward Estimates  |   |
|  |   |  |   |  |  | 2013/14  | 2014/15   |
| <b>Health<br/>(Vote 16)</b>                        | (b) Health Professions Training and Development Grant | Support provinces to fund service costs associated with training of health science trainees on the public service platform; co-funding of the National Human Resource Plan for Health in expanding undergraduate medical education for 2012 and beyond (2025). | Nationally assigned function to provinces   | Eastern Cape<br>Free State<br>Gauteng<br>KwaZulu-Natal<br>Limpopo<br>Mpumalanga<br>Northern Cape<br>North West<br>Western Cape<br><b>TOTAL</b> | <b>R'000</b><br>178 730<br>130 930<br>725 310<br>261 860<br>103 913<br>85 208<br>68 583<br>93 522<br>428 120<br><b>2 076 176</b> | <b>R'000</b><br>188 560<br>138 131<br>765 202<br>276 262<br>109 628<br>89 894<br>72 356<br>98 666<br>451 667<br><b>2 190 366</b> | <b>R'000</b><br>199 874<br>146 419<br>811 114<br>292 837<br>116 206<br>95 288<br>76 697<br>104 586<br>478 767<br><b>2 321 788</b> |
|  | (c) National Tertiary Services Grant                  | Ensure provision of tertiary health services for all South African citizens; to compensate tertiary facilities for the costs associated with provision of these services including cross border patients.  | Nationally assigned function to provinces   | Eastern Cape<br>Free State<br>Gauteng<br>KwaZulu-Natal<br>Limpopo<br>Mpumalanga<br>Northern Cape<br>North West<br>Western Cape<br><b>TOTAL</b> | 682 445<br>786 724<br>3 044 567<br>1 323 114<br>288 427<br>91 879<br>266 621<br>211 765<br>2 182 468<br><b>8 878 010</b>         | 743 621<br>849 661<br>3 305 931<br>1 415 731<br>305 732<br>91 879<br>282 618<br>224 470<br>2 400 714<br><b>9 620 357</b>         | 786 007<br>898 091<br>3 493 891<br>1 496 427<br>323 158<br>97 116<br>298 727<br>237 264<br>2 537 554<br><b>10 168 235</b>         |
| <b>Higher Education and Training<br/>(Vote 17)</b> | Further Education and Training Colleges Grant         | To ensure the successful transfer of the Further Education and Training college function to the Department of Higher Education and Training.   | General conditional allocation to provinces | Eastern Cape<br>Free State<br>Gauteng<br>KwaZulu-Natal<br>Limpopo<br>Mpumalanga<br>Northern Cape<br>North West<br>Western Cape<br><b>TOTAL</b> | 688 593<br>317 955<br>1 113 533<br>839 837<br>536 612<br>342 696<br>76 599<br>257 233<br>584 213<br><b>4 757 271</b>             | 769 713<br>355 412<br>1 244 713<br>938 774<br>599 828<br>383 067<br>85 623<br>287 536<br>653 036<br><b>5 317 702</b>             | 813 208<br>375 496<br>1 315 050<br>991 823<br>633 723<br>404 714<br>90 462<br>303 784<br>689 938<br><b>5 618 198</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          |           |
|------------------------|--|---|---|------------------|-----------------------|-------------------|-----------|
|                        |  |   |   |                  | 2012/13<br>Allocation | Forward Estimates |           |
|                        |  |   |   |                  |                       | 2013/14           | 2014/15   |
| Transport<br>(Vote 37) | (a) Provincial Roads Maintenance Grant | To supplement provincial roads investments and support preventative, routine and emergency maintenance on provincial road networks; ensure provinces implement and maintain road asset management systems; promote the use of labour-intensive methods in road maintenance; repair roads and bridges damaged by floods. | General conditional allocation to provinces | Eastern Cape     | R'000                 | R'000             | R'000     |
|                        |  |   |   | Free State       | 1 369 985             | 1 432 390         | 1 498 209 |
|                        |  |   |   | Gauteng          | 564 930               | 605 447           | 634 294   |
|                        |  |   |   | KwaZulu-Natal    | 579 081               | 655 248           | 688 302   |
|                        |  |   |   | Limpopo          | 1 501 171             | 1 516 651         | 1 590 923 |
|                        |  |   |   | Mpumalanga       | 1 168 594             | 1 205 341         | 1 263 047 |
|                        |  |   |   | Northern Cape    | 1 240 694             | 1 471 078         | 1 545 460 |
|                        |  |   |   | North West       | 483 706               | 502 060           | 522 498   |
|                        |  |   |   | Western Cape     | 594 789               | 661 905           | 694 944   |
|                        |  |   |   | Western Cape     | 478 895               | 490 359           | 515 153   |
|                        | <b>TOTAL</b>                           | <b>7 981 845</b>  | <b>8 540 479</b>                            | <b>8 952 830</b> |                       |                   |           |
|                        | (b) Public Transport Operations Grant  | To provide supplementary funding towards public transport services provided by provincial departments of transport.   | Nationally assigned function to provinces   | Eastern Cape     | 174 466               | 183 960           | 193 258   |
|                        |  |   |   | Free State       | 192 872               | 203 382           | 213 663   |
|                        |  |   |   | Gauteng          | 1 625 746             | 1 714 344         | 1 801 078 |
|                        |  |   |   | KwaZulu-Natal    | 808 279               | 852 325           | 895 350   |
|                        |  |   |   | Limpopo          | 260 725               | 274 932           | 288 840   |
|                        |  |   |   | Mpumalanga       | 439 003               | 462 926           | 486 340   |
|                        |  |   |   | Northern Cape    | 39 255                | 41 390            | 43 480    |
|                        |  |   |   | North West       | 80 686                | 85 082            | 89 380    |
| Western Cape           |  |   |   | 696 237          | 734 180               | 771 320           |           |
| <b>TOTAL</b>           |  |   |   | <b>4 317 269</b> | <b>4 552 521</b>      | <b>4 782 709</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          |                   |
|--|-------------------------------------|--|----------------------|-----------------------|-------------------|-------------------|
|  |                                     |  |                      | 2012/13<br>Allocation | Forward Estimates |                   |
|  |                                     |  |                      |                       | 2013/14           | 2014/15           |
| <b>Human<br/>Settlements<br/>(Vote 31)</b> | Urban Settlements Development Grant | To assist metropolitan municipalities to improve urban land production to the benefit of poor households, by supplementing the revenues of metropolitan municipalities to: reduce the real average cost of urban land, increase the supply of well located land, enhance tenure security and quality of life in informal settlements, improve spatial densities and to subsidise the capital costs of acquiring land and providing basic services for poor households. | Buffalo City         | R'000<br>499 474      | R'000<br>613 305  | R'000<br>712 541  |
|  |                                     |  | City of Cape Town    | 971 980               | 1 193 497         | 1 386 611         |
|  |                                     |  | City of Johannesburg | 1 290 748             | 1 584 912         | 1 841 359         |
|  |                                     |  | City of Tshwane      | 1 051 070             | 1 290 611         | 1 499 439         |
|  |                                     |  | Ekurhuleni           | 1 212 537             | 1 488 877         | 1 729 785         |
|  |                                     |  | eThekweni            | 1 287 560             | 1 580 999         | 1 836 812         |
|  |                                     |  | Mangaung             | 485 967               | 596 719           | 693 272           |
|  |                                     |  | Nelson Mandela Bay   | 592 870               | 727 986           | 845 778           |
|  |                                     |  | <b>TOTAL</b>         | <b>7 392 206</b>      | <b>9 076 906</b>  | <b>10 545 597</b> |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote   | Name of allocation   | Purpose   | Type of allocation     | Province       | Column A              | Column B          |                |
|--|--|---|------------------------|----------------|-----------------------|-------------------|----------------|
|  |  |   |                        |                | 2012/13<br>Allocation | Forward Estimates |                |
|  |  |   |                        |                |                       | 2013/14           | 2014/15        |
| <b>Agriculture, Forestry and Fisheries (Vote 26)</b> | (a) Ilima/Letsema Projects Grant   | To assist vulnerable South African farming communities achieve an increase in agricultural production and increased income, invest in infrastructure that unlocks agricultural production and supply government markets with agricultural products thus releasing them from the poverty trap. | Conditional allocation | Eastern Cape   | R'000                 | R'000             | R'000          |
|  |  |   |                        | Free State     | 42 000                | 43 845            | 46 062         |
|  |  |   |                        | Gauteng        | 54 600                | 57 999            | 60 802         |
|  |  |   |                        | KwaZulu-Natal  | 16 798                | 17 538            | 20 126         |
|  |  |   |                        | Limpopo        | 63 000                | 65 768            | 69 093         |
|  |  |   |                        | Mpumalanga     | 42 000                | 43 845            | 46 062         |
|  |  |   |                        | Northern Cape  | 42 000                | 43 845            | 46 062         |
|  |  |   |                        | North West     | 63 000                | 70 034            | 72 003         |
|  |  |   |                        | Western Cape   | 42 000                | 43 845            | 46 062         |
|  |  |   |                        | Western Cape   | 50 400                | 51 737            | 54 353         |
|  | <b>TOTAL</b>   | <b>415 798</b>  | <b>438 456</b>         | <b>460 625</b> |                       |                   |                |
|  | (b) Land Care Programme Grant: Poverty Relief and Infrastructure Development | To enhance the sustainable conservation of natural agricultural resources through a community-based participatory approach; to create job/work opportunities through the Expanded Public Works Programme; to create an enabling environment for improved food security and poverty relief.    | Conditional allocation | Eastern Cape   | 16 823                | 15 866            | 10 853         |
|  |  |   |                        | Free State     | 8 953                 | 8 571             | 5 427          |
|  |  |   |                        | Gauteng        | 6 246                 | 6 163             | 4 748          |
|  |  |   |                        | KwaZulu-Natal  | 20 304                | 18 746            | 10 854         |
| Limpopo  |  |   |                        | 20 356         | 19 562                | 10 178            |                |
| Mpumalanga   |  |   |                        | 10 958         | 10 249                | 6 105             |                |
| Northern Cape  |  |   |                        | 12 724         | 12 055                | 7 462             |                |
| North West   |  |   |                        | 11 557         | 10 552                | 8 140             |                |
| Western Cape   | 7 740  | 7 233   | 4 070                  |                |                       |                   |                |
| <b>TOTAL</b>   | <b>115 661</b>   | <b>108 997</b>  | <b>67 837</b>          |                |                       |                   |                |
| <b>Arts and Culture (Vote 14)</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   | 78 058                | 74 633            | 69 171         |
|  |  |   |                        | Free State     | 50 304                | 55 070            | 63 379         |
|  |  |   |                        | Gauteng        | 56 452                | 60 611            | 64 247         |
|  |  |   |                        | KwaZulu-Natal  | 48 619                | 56 297            | 69 674         |
|  |  |   |                        | Limpopo        | 68 822                | 72 662            | 72 081         |
|  |  |   |                        | Mpumalanga     | 68 822                | 72 662            | 77 081         |
|  |  |   |                        | Northern Cape  | 72 395                | 76 431            | 76 076         |
|  |  |   |                        | North West     | 64 973                | 69 210            | 67 077         |
|  |  |   |                        | Western Cape   | 56 129                | 60 210            | 72 828         |
|  |  |   |                        | <b>TOTAL</b>   | <b>564 574</b>        | <b>597 786</b>    | <b>631 614</b> |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote  | Name of allocation                                | Purpose  | Type of allocation     | Province       | Column A              | Column B          |         |
|---|---|--|------------------------|----------------|-----------------------|-------------------|---------|
|   |   |  |                        |                | 2012/13<br>Allocation | Forward Estimates |         |
|   |   |  |                        |                |                       | 2013/14           | 2014/15 |
| <b>Basic Education<br/>(Vote 15)</b>          | (a) Dinaledi Schools Grant                        | To promote Mathematics and Physical Science teaching and learning; to improve learner performance in Mathematics and Physical Science in line with the Action Plan 2014; to improve teachers' content knowledge of Mathematics and Physical Science.   | Conditional allocation | Eastern Cape   | R'000                 | R'000             | R'000   |
|   |   |  |                        | Free State     | 11 964                | 12 620            | 13 342  |
|   |   |  |                        | Gauteng        | 7 179                 | 7 572             | 8 005   |
|   |   |  |                        | KwaZulu-Natal  | 20 139                | 21 244            | 22 459  |
|   |   |  |                        | Limpopo        | 17 547                | 18 509            | 19 568  |
|   |   |  |                        | Mpumalanga     | 10 169                | 10 727            | 11 341  |
|   |   |  |                        | Northern Cape  | 9 172                 | 9 676             | 10 229  |
|   |   |  |                        | North West     | 3 391                 | 3 576             | 3 780   |
|   |   |  |                        | Western Cape   | 10 568                | 11 147            | 11 785  |
|   |   |  |                        |                | 9 571                 | 10 097            | 10 673  |
|   |   | <b>99 700</b>  | <b>105 168</b>         | <b>111 182</b> |                       |                   |         |
|   | (b) HIV and Aids (Life Skills Education) Grant    | To support South Africa's HIV prevention strategy by increasing sexual and reproductive health knowledge, skills and appropriate decision making among learners and educators; to mitigate the impact of HIV by providing a caring, supportive and enabling environment for learners and educators; to ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment/abuse. | Conditional allocation | Eastern Cape   | 35 252                | 37 187            | 39 350  |
|   |   |  |                        | Free State     | 12 491                | 13 175            | 13 897  |
|   |   |  |                        | Gauteng        | 29 147                | 30 746            | 32 522  |
|   |   |  |                        | KwaZulu-Natal  | 46 806                | 49 368            | 52 261  |
| Limpopo                                       |   |  |                        | 29 942         | 31 586                | 33 412            |         |
| Mpumalanga                                    |   |  |                        | 17 416         | 18 371                | 19 404            |         |
| Northern Cape                                 |   |  |                        | 4 579          | 4 828                 | 5 049             |         |
| North West                                    |   |  |                        | 15 616         | 16 478                | 17 398            |         |
| Western Cape                                  | 17 416  | 18 371   | 19 404                 |                |                       |                   |         |
|   | <b>208 665</b>                                    | <b>220 110</b>   | <b>232 697</b>         |                |                       |                   |         |
| (c) National School Nutrition Programme Grant | To provide nutritious meals to targeted learners. | Conditional allocation   | Eastern Cape           | 903 644        | 954 674               | 1 013 124         |         |
|   |   |  | Free State             | 261 367        | 272 852               | 290 394           |         |
|   |   |  | Gauteng                | 548 690        | 578 868               | 609 471           |         |
|   |   |  | KwaZulu-Natal          | 1 151 644      | 1 214 985             | 1 283 755         |         |
|   |   |  | Limpopo                | 879 338        | 937 023               | 994 466           |         |
|   |   |  | Mpumalanga             | 474 560        | 495 661               | 526 572           |         |
|   |   |  | Northern Cape          | 113 136        | 119 359               | 122 392           |         |
|   |   |  | North West             | 329 301        | 347 412               | 364 128           |         |
|   |   |  | Western Cape           | 244 784        | 258 247               | 269 613           |         |
|   | <b>4 906 464</b>                                  | <b>5 179 081</b>   | <b>5 473 915</b>       |                |                       |                   |         |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote                                 | Name of allocation                                     | Purpose  | Type of allocation     | Province         | Column A              | Column B          |                   |
|--------------------------------------|--|--|------------------------|------------------|-----------------------|-------------------|-------------------|
|                                      |  |  |                        |                  | 2012/13<br>Allocation | Forward Estimates |                   |
|                                      |  |  |                        |                  |                       | 2013/14           | 2014/15           |
| <b>Basic Education<br/>(Vote 15)</b> | (d) Technical Secondary Schools Recapitalisation Grant | To recapitalise up to 200 technical schools to improve their capacity to contribute to skills development and training in the country.   | Conditional allocation | Eastern Cape     | R'000                 | R'000             | R'000             |
|                                      |  |  |                        | Free State       | 30 000                | 31 649            | 33 560            |
|                                      |  |  |                        | Gauteng          | 19 870                | 20 963            | 20 942            |
|                                      |  |  |                        | KwaZulu-Natal    | 25 000                | 26 375            | 30 549            |
|                                      |  |  |                        | Limpopo          | 40 490                | 42 716            | 45 193            |
|                                      |  |  |                        | Mpumalanga       | 26 700                | 28 169            | 29 802            |
|                                      |  |  |                        | Northern Cape    | 25 678                | 27 058            | 28 627            |
|                                      |  |  |                        | North West       | 12 500                | 13 188            | 13 568            |
|                                      |  |  |                        | Western Cape     | 17 867                | 18 850            | 19 206            |
|                                      |  |  |                        |                  | 11 264                | 11 884            | 12 035            |
|                                      |  |  |                        |                  | <b>TOTAL</b>          | <b>209 369</b>    | <b>220 852</b>    |
| <b>Health<br/>(Vote 16)</b>          | (a) Comprehensive HIV and Aids Grant                   | To enable the health sector to develop an effective response to HIV and Aids including universal access to HIV Counselling and Testing; to support the implementation of the National Operational Plan for comprehensive HIV and Aids treatment and care; to subsidise in-part funding for the antiretroviral treatment programme.   | Conditional allocation | Eastern Cape     | 1 060 852             | 1 273 296         | 1 473 053         |
|                                      |  |  |                        | Free State       | 615 160               | 742 984           | 861 713           |
|                                      |  |  |                        | Gauteng          | 1 901 293             | 2 258 483         | 2 619 375         |
|                                      |  |  |                        | KwaZulu-Natal    | 2 225 423             | 2 652 072         | 3 073 536         |
|                                      |  |  |                        | Limpopo          | 713 432               | 861 143           | 1 000 811         |
|                                      |  |  |                        | Mpumalanga       | 575 032               | 690 591           | 800 153           |
|                                      |  |  |                        | Northern Cape    | 248 372               | 302 468           | 349 998           |
|                                      |  |  |                        | North West       | 685 204               | 825 302           | 958 196           |
|                                      |  |  |                        | Western Cape     | 738 080               | 927 547           | 1 074 487         |
|                                      |  |  |                        |                  | <b>TOTAL</b>          | <b>8 762 848</b>  | <b>10 533 886</b> |
|                                      | (b) Hospital Revitalisation Grant                      | To provide funding to enable provinces to plan, manage, modernise, rationalise and transform health infrastructure, health technology, monitoring and evaluation of the health facilities in line with national policy objectives; to supplement expenditure on health infrastructure delivered through public-private partnerships. | Conditional allocation | Eastern Cape     | 402 679               | 408 719           | 485 251           |
|                                      |  |  |                        | Free State       | 472 384               | 479 470           | 486 662           |
|                                      |  |  |                        | Gauteng          | 795 439               | 807 371           | 896 882           |
| KwaZulu-Natal                        |  |  |                        | 566 605          | 575 104               | 661 132           |                   |
|                                      |  |  | Limpopo                | 301 193          | 310 211               | 399 266           |                   |
|                                      |  |  | Mpumalanga             | 300 000          | 300 000               | 304 500           |                   |
|                                      |  |  | Northern Cape          | 346 083          | 351 274               | 356 543           |                   |
|                                      |  |  | North West             | 423 127          | 448 258               | 454 982           |                   |
|                                      |  |  | Western Cape           | 496 085          | 503 526               | 511 079           |                   |
|                                      |  |  | <b>TOTAL</b>           | <b>4 103 595</b> | <b>4 183 933</b>      | <b>4 556 297</b>  |                   |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote                                       | Name of allocation                     | Purpose  | Type of allocation     | Province       | Column A              | Column B          |                   |
|--|--|--|------------------------|----------------|-----------------------|-------------------|-------------------|
|  |  |  |                        |                | 2012/13<br>Allocation | Forward Estimates |                   |
|  |  |  |                        |                |                       | 2013/14           | 2014/15           |
| <b>Health<br/>(Vote 16)</b>                | (c) National Health Insurance Grant    | Test innovations necessary for implementing National Health Insurance; to undertake health system strengthening initiatives and support selected pilot districts in implementing identified service delivery interventions; to strengthen the resource management of selected central hospitals. | Conditional allocation | Eastern Cape   | R'000                 | R'000             | R'000             |
|  |  |  |                        | Free State     | 11 500                | 26 835            | 38 334            |
|  |  |  |                        | Gauteng        | 16 500                | 38 500            | 55 000            |
|  |  |  |                        | KwaZulu-Natal  | 31 500                | 73 500            | 105 000           |
|  |  |  |                        | Limpopo        | 33 000                | 77 000            | 110 000           |
|  |  |  |                        | Mpumalanga     | 11 500                | 26 833            | 38 334            |
|  |  |  |                        | Northern Cape  | 11 500                | 26 833            | 38 333            |
|  |  |  |                        | North West     | 11 500                | 26 833            | 38 333            |
|  |  |  |                        | Western Cape   | 11 500                | 26 833            | 38 333            |
|  |  |  |                        | <b>TOTAL</b>   | <b>150 000</b>        | <b>350 000</b>    | <b>500 000</b>    |
|  | (d) Nursing Colleges and Schools Grant | To supplement provincial funding of health infrastructure to accelerate the provision of health facilities including office furniture and related equipment, and to ensure proper maintenance of provincial health infrastructure for nursing colleges and schools.                              | Conditional allocation | Eastern Cape   | 14 660                | 21 257            | 25 760            |
|  |  |  |                        | Free State     | 9 160                 | 14 282            | 19 995            |
|  |  |  |                        | Gauteng        | 12 480                | 19 096            | 24 734            |
|  |  |  |                        | KwaZulu-Natal  | 16 480                | 23 896            | 29 454            |
|  |  |  |                        | Limpopo        | 12 400                | 18 980            | 26 572            |
|  |  |  |                        | Mpumalanga     | 9 740                 | 14 123            | 19 772            |
|  |  |  |                        | Northern Cape  | 6 080                 | 10 816            | 15 143            |
|  |  |  |                        | North West     | 8 680                 | 12 586            | 17 620            |
|  |  |  |                        | Western Cape   | 10 320                | 14 964            | 20 950            |
| <b>TOTAL</b>                               |  |  |                        | <b>100 000</b> | <b>150 000</b>        | <b>200 000</b>    |                   |
| <b>Human<br/>Settlements<br/>(Vote 31)</b> | Human Settlements Development Grant    | To provide funding for the creation of sustainable human settlements.  | Conditional allocation | Eastern Cape   | 2 292 859             | 2 472 919         | 2 538 910         |
|  |  |  |                        | Free State     | 961 619               | 1 034 905         | 1 026 409         |
|  |  |  |                        | Gauteng        | 4 003 776             | 4 329 066         | 4 620 481         |
|  |  |  |                        | KwaZulu-Natal  | 2 915 297             | 3 148 736         | 3 305 541         |
|  |  |  |                        | Limpopo        | 1 471 617             | 1 588 823         | 1 657 732         |
|  |  |  |                        | Mpumalanga     | 965 127               | 1 043 499         | 1 113 121         |
|  |  |  |                        | Northern Cape  | 339 551               | 366 002           | 372 298           |
|  |  |  |                        | North West     | 1 050 933             | 1 134 578         | 1 182 890         |
|  |  |  |                        | Western Cape   | 1 725 180             | 1 865 344         | 1 990 939         |
|  |  |  |                        | <b>TOTAL</b>   | <b>15 725 959</b>     | <b>16 983 872</b> | <b>17 808 321</b> |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote  | Name of allocation   | Purpose   | Type of allocation     | Province      | Column A              | Column B          |                  |
|---|--|---|------------------------|---------------|-----------------------|-------------------|------------------|
|   |  |   |                        |               | 2012/13<br>Allocation | Forward Estimates |                  |
|   |  |   |                        |               |                       | 2013/14           | 2014/15          |
| <b>Public Works<br/>(Vote 7)</b>  | (a) Devolution of Property Rate Funds Grant  | To facilitate the transfer of the property rates expenditure responsibility to provinces.   | Conditional allocation | Eastern Cape  | R'000<br>200 825      | R'000<br>210 376  | R'000<br>222 243 |
|   |  |   |                        | Free State    | 231 399               | 244 755           | 258 561          |
|   |  |   |                        | Gauteng       | 281 469               | 294 376           | 310 982          |
|   |  |   |                        | KwaZulu-Natal | 551 100               | 588 180           | 621 359          |
|   |  |   |                        | Limpopo       | 35 399                | 37 024            | 39 113           |
|   |  |   |                        | Mpumalanga    | 76 870                | 83 029            | 87 712           |
|   |  |   |                        | Northern Cape | 43 911                | 46 424            | 49 042           |
|   |  |   |                        | North West    | 178 185               | 202 408           | 213 825          |
|   |  |   |                        | Western Cape  | 319 501               | 345 421           | 364 906          |
|   |  |   |                        | <b>TOTAL</b>  | <b>1 918 659</b>      | <b>2 051 993</b>  | <b>2 167 743</b> |
|   | (b) Expanded Public Works Programme Integrated Grant for Provinces   | To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in identified focus areas, in compliance with the Expanded Public Works Programme (EPWP) guidelines. | Conditional allocation | Eastern Cape  | 60 333                | -                 | -                |
|   |  |   |                        | Free State    | 21 391                | -                 | -                |
|   |  |   |                        | Gauteng       | 18 835                | -                 | -                |
| KwaZulu-Natal   |  |   |                        | 79 506        | -                     | -                 |                  |
| Limpopo   |  |   |                        | 48 983        | -                     | -                 |                  |
| Mpumalanga  |  |   |                        | 26 255        | -                     | -                 |                  |
| Northern Cape   |  |   |                        | 9 915         | -                     | -                 |                  |
| North West  |  |   |                        | 10 444        | -                     | -                 |                  |
| Western Cape  |  |   |                        | 17 099        | -                     | -                 |                  |
| Unallocated   |  |   |                        | -             | 361 624               | 383 255           |                  |
| <b>TOTAL</b>  | <b>292 761</b>   | <b>361 624</b>  | <b>383 255</b>         |               |                       |                   |                  |
| (c) Social Sector Expanded Public Works Programme Incentive Grant for Provinces | To incentivise provincial social sector departments identified in the 2012 Social Sector EPWP Log-frame to increase job creation by focusing on the strengthening and expansion of social service programmes that have employment potential. | Conditional allocation  | Eastern Cape           | 22 121        | -                     | -                 |                  |
|   |  |   | Free State             | 23 908        | -                     | -                 |                  |
|   |  |   | Gauteng                | 41 945        | -                     | -                 |                  |
|   |  |   | KwaZulu-Natal          | 1 673         | -                     | -                 |                  |
|   |  |   | Limpopo                | 57 734        | -                     | -                 |                  |
|   |  |   | Mpumalanga             | 13 659        | -                     | -                 |                  |
|   |  |   | Northern Cape          | 2 073         | -                     | -                 |                  |
|   |  |   | North West             | 29 564        | -                     | -                 |                  |
|   |  |   | Western Cape           | 24 724        | -                     | -                 |                  |
|   |  |   | Unallocated            | -             | 257 564               | 272 972           |                  |
| <b>TOTAL</b>  | <b>217 401</b>   | <b>257 564</b>  | <b>272 972</b>         |               |                       |                   |                  |

**SCHEDULE 5  
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote   | Name of allocation                             | Purpose  | Type of allocation     | Province      | Column A              | Column B          |         |
|--|--|--|------------------------|---------------|-----------------------|-------------------|---------|
|  |  |  |                        |               | 2012/13<br>Allocation | Forward Estimates |         |
|  |  |  |                        |               |                       | 2013/14           | 2014/15 |
|  |  |  |                        |               | R'000                 | R'000             | R'000   |
| <b>Sport and Recreation<br/>South Africa<br/>(Vote 20)</b> | Mass Participation and Sport Development Grant | To facilitate sport and recreation participation and empowerment within schools, clubs and hubs in partnership with relevant stakeholders. | Conditional allocation | Eastern Cape  | 66 056                | 69 987            | 73 931  |
|  |  |  |                        | Free State    | 34 371                | 36 417            | 38 469  |
|  |  |  |                        | Gauteng       | 73 930                | 78 330            | 82 744  |
|  |  |  |                        | KwaZulu-Natal | 91 122                | 96 544            | 101 986 |
|  |  |  |                        | Limpopo       | 55 733                | 59 050            | 62 378  |
|  |  |  |                        | Mpumalanga    | 39 883                | 42 257            | 44 638  |
|  |  |  |                        | Northern Cape | 27 404                | 29 035            | 30 671  |
|  |  |  |                        | North West    | 36 497                | 38 670            | 40 849  |
|  |  |  |                        | Western Cape  | 44 644                | 47 301            | 49 966  |
|  |  |  |                        | <b>TOTAL</b>  |                       |                   |         |

**SCHEDULE 6**  
**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**

| Vote   | Name of allocation  | Purpose   | Column A              | Column B          |                   |
|--|---|---|-----------------------|-------------------|-------------------|
|  |   |   | 2012/13<br>Allocation | Forward Estimates |                   |
|  |   |   |                       | 2013/14           | 2014/15           |
|  |   |   | R'000                 | R'000             | R'000             |
| <b>CURRENT GRANTS</b>  |   |   |                       |                   |                   |
| <b>Cooperative Governance and Traditional Affairs (Vote 3)</b> | Municipal Systems Improvement Grant                                 | To assist municipalities build in-house capacity to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislation, policies and the local government turnaround strategy.   | 230 096               | 242 734           | 257 298           |
| <b>Public Works (Vote 7)</b>                                   | Expanded Public Works Programme Integrated Grant for Municipalities | To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in identified focus areas, in compliance with the Expanded Public Works Programme guidelines.  | 599 240               | 701 924           | 743 912           |
| <b>National Treasury (Vote 10)</b>                             | (a) Infrastructure Skills Development Grant                         | To strengthen the capacity of local government to effectively and efficiently deliver quality infrastructure, by increasing the pool of skills available and to facilitate lifelong learning and the transfer of knowledge to municipalities.   | 75 460                | 100 000           | 106 000           |
|  | (b) Local Government Financial Management Grant                     | To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act.  | 402 753               | 424 798           | 449 138           |
| <b>Energy (Vote 29)</b>  | Electricity Demand Side Management Grant                            | To provide subsidies to municipalities to implement Electricity Demand Side Management in municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.  | 200 000               | 200 000           | 200 000           |
| <b>Water Affairs (Vote 38)</b>                                 | Water Services Operating Subsidy Grant                              | To subsidise and build capacity in water schemes owned and/or operated by the Department of Water Affairs or by other agencies on behalf of the department and transfer these schemes to local government.  | 562 434               | 420 945           | 449 558           |
| <b>TOTAL</b>   |   |   | <b>2 069 983</b>      | <b>2 090 401</b>  | <b>2 205 906</b>  |
| <b>INFRASTRUCTURE GRANTS</b>                                   |   |   |                       |                   |                   |
| <b>Cooperative Governance and Traditional Affairs (Vote 3)</b> | Municipal Infrastructure Grant                                      | To provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.  | 13 881 633            | 14 643 465        | 15 764 200        |
| <b>Energy (Vote 29)</b>  | Integrated National Electrification Programme (Municipal) Grant     | To implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, clinics and the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply. | 1 151 443             | 1 314 772         | 1 487 658         |
| <b>National Treasury (Vote 10)</b>                             | Neighbourhood Development Partnership Grant                         | To support neighbourhood development projects that provide community infrastructure and create the platform for other public and private sector development, towards improving the quality of life of residents in targeted underserved neighbourhoods (townships generally).   | 578 132               | 598 041           | 591 179           |
| <b>Transport (Vote 37)</b>                                     | (a) Public Transport Infrastructure and Systems Grant               | To provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure and services.  | 4 988 103             | 5 549 981         | 5 870 846         |
|  | (b) Rural Roads Asset Management Grant                              | To assist rural district municipalities to set up rural Road Asset Management Systems, and collect road and traffic data in line with the Road Infrastructure Strategic Framework for South Africa.   | 37 295                | 39 154            | 41 418            |
| <b>TOTAL</b>   |   |   | <b>20 636 606</b>     | <b>22 145 413</b> | <b>23 755 301</b> |



**SCHEDULE 7**

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

| Vote                                 | Name of allocation                   | Purpose  | Province      | Column A              | Column B           |                  |
|--------------------------------------|--------------------------------------|--|---------------|-----------------------|--------------------|------------------|
|                                      |                                      |  |               | 2012/13<br>Allocation | Forward Estimates  |                  |
|                                      |                                      |  |               |                       | 2013/14            | 2014/15          |
| <b>Basic Education<br/>(Vote 15)</b> | School Infrastructure Backlogs Grant | Eradication of inappropriate school infrastructure; provision of water, sanitation and electricity to schools. | Eastern Cape  | R'000<br>1 526 635    | R'000<br>4 689 000 | R'000<br>-       |
|                                      |                                      |  | Free State    | 160 730               | 100 000            | -                |
|                                      |                                      |  | Gauteng       | 45 540                | -                  | -                |
|                                      |                                      |  | KwaZulu-Natal | 159 089               | 60 000             | -                |
|                                      |                                      |  | Limpopo       | 144 368               | 60 000             | -                |
|                                      |                                      |  | Mpumalanga    | 141 519               | 100 000            | -                |
|                                      |                                      |  | Northern Cape | 14 590                | -                  | -                |
|                                      |                                      |  | North West    | 109 469               | 80 000             | -                |
|                                      |                                      |  | Western Cape  | 13 060                | 100 000            | -                |
|                                      |                                      |  | Unallocated   | -                     | -                  | 5 500 340        |
|                                      |                                      |  | <b>TOTAL</b>  | <b>2 315 000</b>      | <b>5 189 000</b>   | <b>5 500 340</b> |

**SCHEDULE 7**

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

| Vote                               | Name of allocation  | Purpose   | Column A              | Column B          |                  |
|------------------------------------|---|---|-----------------------|-------------------|------------------|
|                                    |   |   | 2012/13<br>Allocation | Forward Estimates |                  |
|                                    |   |   |                       | 2013/14           | 2014/15          |
|                                    |   |   | R'000                 | R'000             | R'000            |
| <b>National Treasury (Vote 10)</b> | Neighbourhood Development Partnership Grant                 | To support neighbourhood development projects that provide community infrastructure and create the platform for other public and private sector development, towards improving the quality of life of residents in targeted underserved neighbourhoods (townships generally).   | 80 000                | 55 000            | 58 300           |
| <b>Energy (Vote 29)</b>            | Integrated National Electrification Programme (Eskom) Grant | To implement the Integrated National Electrification Programme by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply.  | 1 879 368             | 1 982 596         | 2 098 903        |
| <b>Water Affairs (Vote 38)</b>     | (a) Water Services Operating Subsidy Grant                  | To subsidise and build capacity in water schemes owned and/or operated by the Department of Water Affairs or by other agencies on behalf of the department and transfer these schemes to local government.  | 132 598               | 312 584           | 327 625          |
|                                    | (b) Regional Bulk Infrastructure Grant                      | To develop infrastructure required to connect or augment a water resource, to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality, and in the case of sanitation, to supplement regional bulk collection as well as regional waste water treatment works. | 2 516 641             | 2 921 728         | 3 351 460        |
| <b>Human Settlements (Vote 31)</b> | Rural Households Infrastructure Grant                       | To provide specific capital funding for the eradication of rural water and sanitation backlogs and is targeted at existing households where bulk-dependent services are not viable. The grant also funds training for beneficiaries on health and hygiene practices and how to maintain the facilities provided.  | 479 500               | 389 000           | -                |
| <b>TOTAL</b>                       |   |   | <b>5 088 107</b>      | <b>5 660 908</b>  | <b>5 836 288</b> |

**SCHEDULE 8**

**UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE**

| Vote  | Name of allocation        | Purpose  | Province       | Column A              | Column B          |         |
|---|---------------------------|--|----------------|-----------------------|-------------------|---------|
|   |                           |  |                | 2012/13<br>Allocation | Forward Estimates |         |
|   |                           |  |                |                       | 2013/14           | 2014/15 |
| R'000   | R'000                     | R'000  |                |                       |                   |         |
| Cooperative<br>Governance and<br>Traditional<br>Affairs<br>(Vote 3) | Provincial Disaster Grant | To provide for the immediate release of funds for disaster response. | Eastern Cape   | -                     | -                 | -       |
|   |                           |  | Free State     | -                     | -                 | -       |
|   |                           |  | Gauteng        | -                     | -                 | -       |
|   |                           |  | KwaZulu-Natal  | -                     | -                 | -       |
|   |                           |  | Limpopo        | -                     | -                 | -       |
|   |                           |  | Mpumalanga     | -                     | -                 | -       |
|   |                           |  | Northern Cape  | -                     | -                 | -       |
|   |                           |  | North West     | -                     | -                 | -       |
|   |                           |  | Western Cape   | -                     | -                 | -       |
|   |                           |  | Unallocated    | 180 000               | 190 000           | 201 400 |
| <b>TOTAL</b>  | <b>180 000</b>            | <b>190 000</b>   | <b>201 400</b> |                       |                   |         |

**UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE**

| Vote  | Name of allocation       | Purpose  | Column A              | Column B          |                |
|---|--------------------------|--|-----------------------|-------------------|----------------|
|   |                          |  | 2012/13<br>Allocation | Forward Estimates |                |
|   |                          |  |                       | 2013/14           | 2014/15        |
| R'000   | R'000                    | R'000  |                       |                   |                |
| Cooperative<br>Governance and<br>Traditional<br>Affairs<br>(Vote 3) | Municipal Disaster Grant | To provide for the immediate release of funds for disaster response. | 330 000               | 350 000           | 371 000        |
|   | <b>TOTAL</b>             |  | <b>330 000</b>        | <b>350 000</b>    | <b>371 000</b> |