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# Government Gazette

**REPUBLIC OF SOUTH AFRICA**

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## THE PRESIDENCY

No. 384

28 April 2011

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

**No. 6 of 2011: Division of Revenue Act, 2011.**



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

(English text signed by the President.)  
(Assented to 27 April 2011.)

# ACT

**To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2011/12 financial year and the responsibilities of all three spheres pursuant to such division; and to provide for matters connected therewith.**

## PREAMBLE

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

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

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

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**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— 10

“**accreditation**” means accreditation of a municipality, in terms of section 10(2) of the Housing Act, 1997 (Act No. 107 of 1997), to administer national housing programmes, read with Part 3 of the National Housing Code, 1999 (Financial Interventions: Accreditation of Municipalities); 15

“**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; 20

“**corporation for public deposits account**” means a bank account of the Provincial Revenue Fund held with the Corporation for Public Deposits, established by the Corporation for Public Deposits Act, 1984 (Act No. 46 of 1984); 25

“**Disaster Management Act**” means the Disaster Management Act, 2002 (Act No. 57 of 2002);

“**financial year**” means the financial year commencing on 1 April 2011 and ending on 31 March 2012; 30

“**framework**” means the conditions and other information in respect of a conditional allocation published by the National Treasury in terms of section 14;

“**level one accreditation**” means accreditation to render beneficiary management, subsidy budget planning and allocation, and priority programme management and administration; 35

“**level three accreditation**” means accreditation to render financial administration in addition to the responsibilities under a level one accreditation and a level two accreditation;

“**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; 40

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

“**Municipal Structures Act**” means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998); 45

“**municipal financial year**” means the financial year of a municipality commencing on 1 July 2011 and ending on 30 June 2012;

“**next financial year**” means the financial year commencing on 1 April 2012 and ending on 31 March 2013;

“**next municipal financial year**” means the financial year of a municipality commencing on 1 July 2012 and ending on 30 June 2013; 50

“**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 5
- (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 head of the department in the provincial treasury has certified to the National Treasury as the bank account into which all conditional allocations, other than the Gautrain Rapid Rail Link Grant, in terms of this Act must be deposited; and 10
- (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; 15

**“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; 20
- (c) 1 October to 31 December; or
- (d) 1 January to 31 March;

**“receiving officer”**—

- (a) in relation to a Schedule 4, 5, 8 or 9 allocation transferred to a province, means the accounting officer of the provincial department which receives that allocation or a portion thereof for spending via an appropriation from its Provincial Revenue Fund; or 25
- (b) in relation to a Schedule 4, 6, 7, 8 or 9 allocation transferred to or provided in kind to a municipality, means the accounting officer of the municipality;

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

**“transferring national officer”** means the accounting officer of a national department that transfers a Schedule 4, 5, 6, 8 or 9 allocation to a province or municipality or spends a Schedule 7 allocation on behalf of a municipality.

- (2) Any determination, instruction or request in terms of this Act must be in writing. 35

## 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; 40
- (c) promote transparency and accountability in the resource allocation process, by ensuring that all allocations are reflected on the budgets of receiving provinces and municipalities and by ensuring that the expenditure of conditional allocations is reported on by the receiving provinces and municipalities. 45

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

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

(2) An envisaged division of revenue anticipated to be raised in respect of the next financial year and the 2013/14 financial year, and which is subject to the provisions of the annual Division of Revenue Acts in respect of those financial years, is set out in Column B of Schedule 1. 10

**Equitable division of provincial share among provinces**

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

(2) An envisaged division for each province of revenue anticipated to be raised nationally in respect of the next financial year and the 2013/14 financial year, and which is subject to the provisions of the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 2. 15

(3) Each province's equitable share allocation contemplated in subsection (1) must be transferred to the corporation for public deposits account of the province, in accordance with a payment schedule determined by the National Treasury in terms of section 21. 20

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

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

(2) An envisaged division between municipalities of revenue anticipated to be raised nationally in respect of the next financial year and the 2013/14 financial year, and which is subject to the provisions of the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 3. 25

(3) Each municipality's equitable share contemplated in subsection (1) must be transferred to the primary bank account of the municipality in three transfers on 7 July 2011, 30 November 2011 and 23 March 2012, in accordance with a payment schedule determined by the National Treasury in terms of section 21. 30

**Shortfalls, excess revenue and additional allocations**

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

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

(3) The national government may— 40

(a) appropriate a portion of its equitable share or excess revenue contemplated in subsection (2) to make further allocations in an adjustments budget to—

- (i) national departments; or
  - (ii) provinces or municipalities, as a conditional or an unconditional allocation; and
- (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. 5

### CHAPTER 3

## CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

### *Part 1*

#### *Conditional allocations* 10

#### **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:
- (a) Schedule 4, specifying allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets; 15
  - (b) Schedule 5, specifying specific-purpose allocations to provinces;
  - (c) Schedule 7, specifying allocations-in-kind to provinces for designated special programmes;
  - (d) Schedule 8, specifying incentives to provinces to meet targets with regard to priority government programmes; and 20
  - (e) Schedule 9, 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. 25
- (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 2013/14 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). 30

#### **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:
- (a) Schedule 4, specifying allocations to municipalities to supplement the funding of functions funded from municipal budgets; 35
  - (b) Schedule 6, specifying specific-purpose allocations to municipalities;
  - (c) Schedule 7, specifying allocations-in-kind to municipalities for designated special programmes;
  - (d) Schedule 8, specifying incentives to municipalities to meet targets with regard to priority government programmes; and 40
  - (e) Schedule 9, 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. 45



(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 2013/14 financial year, which, with the exception of what is provided in subsection (4) in relation to the Public Transport Infrastructure and Systems Grant, is subject to the annual Division of Revenue Acts for those years, as set out in Column B of the Schedules referred to in subsection (1). 5

(3) The National Treasury must, in terms of section 14, 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*.

(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 2013/14 financial year that will not be altered downwards in the Division of Revenue Acts in respect of those financial years. 10

(5) 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 2013/14 financial year, for the purpose of securing a loan or any other form of financial or other support from that person or institution. 15

## *Part 2*

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### *Duties of accounting officers in respect of Schedule 4 to 9 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—
  - (i) deposited only into the primary bank account of a province or municipality; and 25
  - (ii) made in accordance with the payment schedule approved in terms of section 21, unless allocations are withheld or stopped in terms of section 16 or 17;
- (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; 30
- (c) complying with the requirements of the applicable framework; and
- (d) 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. 35

(2) (a) Subsection (1)(b) does not apply to the Urban Settlements Development Grant.

(b) Municipalities that receive the Urban Settlements Development Grant must report expenditure and non-financial performance information against their capital budgets, in accordance with section 11 of this Act and with the requirements of section 71 of the Municipal Finance Management Act. 40

(c) Provinces that receive the Education Infrastructure Grant, the Health Infrastructure Grant or the Provincial Roads Maintenance Grant must report expenditure and non-financial performance information against their capital budgets, in accordance with section 11 of this Act and with the requirements of section 32 of the Public Finance Management Act. 45

(d) Provinces that receive 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 which the provinces will implement during the 2011/12 to 2013/14 financial years, in a format that will be determined by the National Treasury. 5

(e) The transferring national officer must publish the information in terms of paragraph (d) in the *Gazette*, in a format that will be determined by the National Treasury, not later than 28 days after this Act comes into effect.

(f) Failure to comply with paragraphs (d) and (e) may result in withholding of the allocations in terms of section 16. 10

(3) With respect to Schedule 4 Grants, any monitoring programme or system that is utilised to monitor expenditure and non-financial performance information funded by an allocation must—

- (i) be approved by the National Treasury; 15
- (ii) not impose any excessive administrative responsibility on receiving provinces or receiving municipalities beyond the provision of standard management information;
- (iii) be compatible and integrated with and not unnecessarily duplicate other relevant and related national and provincial systems; and 20
- (iv) be consistent with section 11(2).

#### **Duties of transferring national officer in respect of Schedule 5 to 8 allocations**

**10.** (1) A transferring national officer must—

- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that— 25
  - (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;
  - (ii) monitoring provisions are compatible and integrated with and do not duplicate other relevant and related national, provincial and local systems; 30
  - (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; 35
  - (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;
- (b) transfer funds only after information required in terms of this Act has been secured and all relevant information has been provided to the National Treasury; 40
- (c) transfer funds only in accordance with a payment schedule determined in accordance with section 21;
- (d) deposit funds only into the primary bank account of a province or municipality, or, where appropriate, into the corporation for public deposits account of a province or the bank account designed for the transfer of the Gautrain Rapid Rail Link Grant; and 45
- (e) 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. 50

(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.

(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) 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; 15
- (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; 20
- (e) any matter or information that may be prescribed in the relevant framework for the particular allocation; and
- (f) such other issues as the National Treasury may determine.

(6) 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. 25

(7) 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. 30

(8) The transferring national officer for the Human Settlements Development Grant, after consultation with the receiving officer and the National Treasury, must determine the allocations from the Human Settlements Development Grant for each municipality that receives the Urban Settlements Development Grant and submit those allocations to the National Treasury not later than 14 days after this Act takes effect, and the National Treasury must publish those allocations in the *Gazette* within 14 days after receipt of the allocations. 35

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

**11.** (1) A receiving officer of a Schedule 4 allocation is responsible for— 40

- (a) complying with the framework for a Schedule 4 allocation as published in terms of section 14; and
- (b) the manner in which a Schedule 4 allocation is allocated and spent.

(2) The receiving officer of a municipality must—

- (a) ensure and certify to the National Treasury that the municipality— 45
  - (i) indicates or, if required, exclusively appropriates each programme funded or partially funded by this allocation in its annual budget; and
  - (ii) makes public, in accordance with the requirements of section 21A of the Municipal Systems Act, the conditions and other information in respect of the allocation, to facilitate performance measurement and the use of required inputs and outputs; and 50

- (b) report to the transferring national officer, the relevant provincial treasury and the National Treasury, on—
- (i) spending and financial performance against programmes funded by a Schedule 4 allocation, other than the Urban Settlements Development Grant; and 5
  - (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 grant 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 2011, December 2011, March 2012 and June 2012; and 10
- (c) within 30 days after the end of each quarter, report to the transferring national officer and the National Treasury on—
- (i) non-financial performance against programmes, in respect of Schedule 4 Grants other than the Urban Settlements Development Grant; and 15
  - (ii) performance for that quarter against the targets stipulated in the infrastructure performance framework that is required in terms of the grant 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 grant.
- (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 on spending and performance against programmes; and 25
  - (b) submit a quarterly performance report within 30 days after the end of each quarter to the relevant provincial treasury, and the National Treasury.
- (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. 30
- (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. 35
- (b) With respect to the Education Infrastructure Grant, the Health Infrastructure Grant, the Provincial Roads Maintenance Grant and the Urban Settlements Development Grant, reporting on performance will be based on the overall capital budget of the provincial department or the municipality concerned. 40

#### **Duties of receiving officer in respect of Schedule 5, 6, 8 or 9 allocation**

- 12.** (1) The receiving officer of a Schedule 5, 6, 8 or 9 allocation must ensure compliance with the requirements of the relevant framework.
- (2) The relevant receiving officer must, in respect of a Schedule 5, 6, 8 or 9 allocation transferred to— 45
- (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; 50
  - (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of the section 71 report to the relevant provincial treasury, the National Treasury and the relevant transferring national officer; and 55

- (c) a province or a municipality, submit a quarterly performance report within 30 days after the end of each quarter to the transferring national officer, the relevant provincial treasury and the National Treasury.
- (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— 5
- (a) the amount received by the province;
  - (b) the amount of funds stopped or withheld from the province;
  - (c) the actual expenditure by the province in respect of a Schedule 5 allocation;
  - (d) the amount transferred to any national or provincial public entity to implement a programme funded by a Schedule 5 allocation on behalf of a province or to assist the province in implementing such a programme; 10
  - (e) the most up to date available figures regarding the expenditure by a public entity referred to in paragraph (d);
  - (f) the extent of compliance with this Act and with the conditions of an allocation provided for in a framework, based on the most up to date available information at the time of reporting; 15
  - (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;
  - (h) any matter or information that may be prescribed in the relevant framework for the particular allocation; and 20
  - (i) such other issues and information as the National Treasury may determine.
- (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— 25
- (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;
  - (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; 30
  - (e) any matter or information that may be prescribed in the relevant framework for the particular allocation; and
  - (f) such other issues and information as the National Treasury may determine.
- (5) (a) Subsections (2) and (3) do not apply to the receiving officer of the Gautrain Rapid Rail Link Grant. 35
- (b) The receiving officer of the Gautrain Rapid Rail Link Grant must, at the end of each quarter, submit a report to the transferring national officer, detailing the payment made in that quarter to meet its payment obligation in terms of the public-private partnership agreement entered into by the province in accordance with regulations issued under the Public Finance Management Act. 40
- (c) Copies of payment certificates issued in terms of the public-private partnership agreement must be submitted together with the report referred to in paragraph (b).
- (6) 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. 45

### **Duties in respect of annual financial statements and annual reports for 2011/12**

- 13.** (1) The 2011/12 financial statements of a national department transferring any funds in respect of an allocation set out in Schedule 4, 5, 6, 8 or 9 must, in addition to any requirements in terms of any other applicable law— 50

- (a) indicate the total amount of that allocation transferred to a province or municipality;
- (b) indicate the transfers, if any, that were withheld in respect of each province or municipality;
- (c) indicate any re-allocations by the National Treasury in terms of section 18 or by the transferring national officer in respect of the Expanded Public Works Programme Incentive Grant; 5
- (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 10
- (e) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer.
- (2) The 2011/12 annual report of a national department transferring any funds in respect of an allocation set out in Schedule 4, 5, 6, 8 or 9 must, in addition to any requirements in terms of any other applicable law— 15
- (a) indicate the reasons for the withholding of any transfers to a province or municipality;
- (b) indicate to what extent provinces or municipalities were monitored for compliance with this Act and the conditions of an allocation provided for in the relevant framework; 20
- (c) indicate to what extent the allocation achieved its objectives and outputs; and
- (d) indicate any non-compliance with this Act or the relevant framework, and the steps taken to deal with such non-compliance.
- (3) The 2011/12 financial statements of a provincial department receiving an allocation in terms of Schedule 4, 5, 8 or 9 must, in addition to any requirements in terms of any other applicable law— 25
- (a) indicate the total amount of all allocations received;
- (b) indicate the total amount of actual expenditure on all allocations except Schedule 4 allocations; and
- (c) certify that all transfers in terms of this Act to the province were deposited into the primary bank account of the province or, where appropriate, into the corporation for public deposits account of a province. 30
- (4) The 2011/12 annual report of a provincial department receiving an allocation in terms of Schedule 4, 5, 8 or 9 must, in addition to any requirements in terms of any other applicable law— 35
- (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;
- (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; 40
- (c) indicate the extent to which the objectives and outputs of the allocation were achieved;
- (d) contain any other information that may be specified in the relevant framework for the allocation; and 45
- (e) contain such other information as the National Treasury may determine.
- (5) The 2011/12 financial statements and annual report of a municipality must be prepared in accordance with the Municipal Finance Management Act.
- (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. 50

**Part 3*****Matters relating to Schedule 4 to 9 allocations*****Publication of allocations and frameworks**

- 14.** (1) The National Treasury must, within 14 days of this Act taking effect, publish in the *Gazette*— 5
- (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;
  - (c) the indicative allocations for provinces and municipalities, along with their initial threshold and performance targets, in respect of Schedule 8 allocations; 10  
and
  - (d) the framework for each allocation in Schedules 4 to 9.
- (2) The National Treasury must publish in the *Gazette*—
- (a) any revisions or amendments of the allocations and frameworks published in terms of subsection (1)(a) and (d); 15
  - (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 19; 20
  - (d) any re-allocations by the National Treasury in accordance with section 18 or the transferring national officer in respect of the Expanded Public Works Programme Incentive Grant;
  - (e) any revised allocations in respect of Schedule 7 Grants; and
  - (f) any revised indicative allocations, performance and threshold targets for the Expanded Public Works Programme Incentive Grant. 25
- (3) The National Treasury may at any time, after consultation with or at the written request of a transferring national officer, revise or amend a framework published in terms of subsection (1) or (2), to correct any error or omission.
- (4) An amendment, revision, virement or re-allocation takes effect on publication thereof in the *Gazette*, with the exception of a Schedule 9 Grant. 30

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

- 15.** (1) Despite anything to the contrary contained in any law, an allocation referred to in Schedules 4 to 9 may only be utilised for the purpose stipulated in the Schedule concerned and in accordance with the framework published in terms of section 14. 35
- (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 with the entity or other sphere of government that will be performing the function, that has been approved by the National Treasury, and— 40
- (a) it is a transfer that is approved in the budget of the receiving province or municipality or a framework published in terms of section 14;
  - (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 45
  - (c) in the case of an advance payment or a transfer which is not consistent with the budget of the receiving province or municipality—

- (i) the receiving officer has certified to the National Treasury that the transfer is not an attempt to artificially inflate its spending estimates and that there are good reasons for the advance payment or transfer; and
- (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 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 deems to have low capacity. 5 10
- (4) In respect of the Human Settlements Development Grant, a receiving officer and a municipality with level three accreditation must, by 31 May 2011, comply with the requirements of subsection (2), by— 15
- (a) entering into a payment schedule; and
- (b) submitting the payment schedule to the National Treasury for approval.
- (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 22, in instances where a transfer to a municipality with level three accreditation has been withheld or stopped in terms of section 16 or 17. 20

#### **Withholding of allocation**

- 16.** (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— 25
- (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 20 have not been spent; or 30
- (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 Health Professions Training and Development Grant and the National Tertiary Services Grant may be withheld in terms of this section.
- (3) A transferring national officer must, at least seven working days prior to withholding an allocation in terms of subsection (1)— 35
- (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 40
- (b) inform the relevant provincial treasury and the National Treasury, and in respect of any conditional grant 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. 45
- (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 50
- (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). 5

### Stopping of allocation

17. (1) Despite section 16, 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 16(1) to a province or municipality— 10

- (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; 15
- (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 practice standards and guidelines made in terms of section 5 of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000). 20

(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 16(3)(a), and in respect of a municipality, also with the requirements of section 38 of the Municipal Finance Management Act; and 25
- (b) inform the relevant provincial treasury of its intention to stop the allocation.

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

(4) (a) The Minister may, by notice in the *Gazette*, approve that an allocation or any portion of such allocation stopped in terms of subsection (1), be utilised to meet that province's or municipality's outstanding statutory and contractual financial commitments. 30

(b) The utilisation of funds contemplated in this subsection is a direct charge against the National Revenue Fund. 35

### Re-allocation of funds

18. (1) (a) The National Treasury may, when it stops a Schedule 4, 5 or 6 allocation in terms of section 17, 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 grant 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. 40

(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 20(2)(a), and the roll-over process set out in Treasury Regulation 6.4.2 would not need to be followed. 45

- (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—
- (i) in relation to section 100 of the Constitution, the transferring national officer to spend an allocation stopped in terms of section 17 on behalf of the relevant province; 5
  - (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 17 on behalf of the relevant municipality; or 10
  - (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 17 on behalf of the relevant municipality.
- (b) An allocation that is spent by the transferring national officer or intervening province referred to in paragraph (a) must, for the purposes of this Act, be regarded as a Schedule 7 allocation from the date on which the authorisation is given. 15
- (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.

### **Conversion of allocations** 20

- 19.** (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. 25
- (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— 30
- (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.
- (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. 35
- (4) A conversion referred to in subsections (1) and (2) takes effect on the date of publication referred to in section 14(2)(c).
- (5) The National Treasury must inform the transferring national officer and each affected receiving province or municipality of a conversion. 40

### **Unspent conditional allocations**

- 20.** (1) Despite the provisions of the Public Finance Management Act or the Municipal Finance Management Act relating to roll-overs, any conditional allocation, excluding the Gautrain Rapid Rail Link Grant and the Expanded Public Works Programme Incentive Grant, 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. 45 50
- (2) The National Treasury 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) 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. 5
- (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— 10
- (a) in the case of a province, against future advances for conditional grant allocations to that province; and
- (b) in the case of a municipality, against future advances for the equitable share or conditional grant allocations to that municipality.
- (5) Prior to the National Treasury setting-off any amounts against allocations to provinces or municipalities in terms of subsection (4), the National Treasury must give the relevant transferring national officer, province or municipality— 15
- (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— 20
- (i) submit written representations that prove to the satisfaction of the National Treasury that the unspent allocation was either spent in accordance with the relevant framework, or is committed to identifiable projects; 25
- (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. 30
- (7) Despite this section, 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 in terms of section 34. 35

#### ***Part 4***

#### ***Matters relating to Schedule 1 to 9 allocations***

#### **Payment schedule**

- 21.** (1) (a) The National Treasury determines the payment schedule for the transfer of a province's equitable share allocation, after consultation with the head of the department in the provincial treasury. 40
- (b) In determining the payment schedule, the National Treasury must take account of the monthly spending commitments of provinces and seek to minimise risk and debt servicing costs for national and provincial government.
- (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. 45

(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. 5

(b) Despite paragraph (a), the National Treasury, after consultation with the accounting officer of the national department responsible for local government, may, for cash management purposes in the municipality or when an intervention in terms of section 139 of the Constitution or section 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. 10

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

(3) (a) The National Treasury must approve the payment schedule for the transfer of an allocation listed in Schedules 4 to 9 to a province or municipality.

(b) The transferring national officer of a Schedule 4, 5, 6 or 8 allocation must submit a payment schedule to the National Treasury for approval within 14 days after this Act takes effect. 20

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

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

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

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

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

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

(5) Schedule 4 and 6 transfers must be done in line with the municipal financial year.

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

**22.** (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 16 or 17, amend a payment schedule as a result of the withholding or stopping of an allocation in terms of this Act and submit the amended payment schedule to the National Treasury prior to any further transfers being made. 40

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

- (a) the accounting officer of a provincial treasury, in the case of a provincial allocation; and 50

- (b) the accounting officer of the national department responsible for local government, in the case of a local government allocation.
- (3) A payment schedule amended in terms of subsection (1) or (2) must take account of—
- (a) the monthly spending commitments of provinces or municipalities; 5
  - (b) the revenue at the disposal of provinces or municipalities; and
  - (c) the minimisation of risk and debt servicing costs for all three spheres of government.
- (4) An amendment of a payment schedule in terms of subsection (2) prevails over any amendment made in terms of subsection (1). 10
- (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

#### **Transfers made in error or fraudulently** 15

**23.** (1) Despite anything to the contrary contained in any law, the transfer of an allocation 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.

(2) A transfer contemplated in subsection (1) must be recovered, without delay, by the responsible transferring national officer. 20

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

#### **Allocations not listed in Schedules** 25

**24.** (1) An allocation, other than—

(a) a re-allocation referred to in section 18 or in respect of the Expanded Public Works Programme Incentive Grant; or

(b) a revised indicative allocation in respect of a Schedule 7 or 8 Grant, which is not listed in the Schedules referred to in sections 7 and 8, 30  
may only be made in terms of section 6(3).

(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 national transferring 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. 35

(4) Subsection (2) does not apply to Schedule 9 allocations.

(5) A transfer to a province or municipality as a Schedule 9 allocation may only be made after the National Treasury has approved the transfer. 40

(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 9 allocation to a province or municipality.

(b) The National Treasury must publish a Schedule 9 allocation in the *Gazette* within 16 days after being notified in terms of paragraph (a). 45

(7) Schedule 9 allocations must be appropriated or authorised either in the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriations legislation.

### **Transitional arrangement relating to re-demarcation of municipal boundaries**

**25.** (1) (a) A municipality (the releasing municipality) from which a particular area is transferred at the commencement of or through the implementation of legislation, which re-demarcates municipal boundaries and addresses associated matters, must continue to spend its allocations for the 2011/12 financial year made in terms of this Act, in that particular area or municipality, as if that area was not transferred to another municipality (the receiving municipality), unless the affected municipalities have entered into an agreement that ensures that the relocated area or municipality is not negatively affected. 5 10

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

(c) The releasing municipality must, at the request of the transferring national officer, the receiving municipality or the National Treasury, demonstrate compliance with paragraph (a). 15

(2) (a) The provisions of sections 16 and 17 apply with the necessary changes where a releasing municipality fails to comply with subsection (1) (a) or (c) in respect of a Schedule 4, 6 or 7 allocation. 20

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

(3) The National Treasury may, where a releasing municipality fails to comply with subsection (1) (a) or (c), reallocate a portion of the releasing municipality's equitable share allocation referred to in section 5 to the receiving municipality. 25

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

(b) The transferring national officer of a Schedule 4, 6 or 7 allocation must, by 15 September 2011, inform the National Treasury of any adjustments to the allocations referred to in section 8 (2) that must be reflected in the Division of Revenue Act for the next financial year. 30

### **Preparations for next financial year and 2013/14 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 2013/14 financial year as set out in Column B of the Schedules, by 3 October 2011— 35

(i) agree on the provisional allocations and the projects to be funded from those allocations in the next financial year and the 2013/14 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 2013/14 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. 50

(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).

(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). 5

(e) Should agreement not be reached between the category C municipality and the category B municipality on the provisional allocations and projects referred to in paragraph (a) prior to 3 October 2011, the National Treasury may proceed to determine the provisional allocations and provide those provisional allocations to the municipalities concerned and the transferring national officer. 10

(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 2011. 15

(ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 7 December 2011, the National Treasury may determine the appropriate allocations, taking into consideration the envisaged allocations for the next financial year. 20

(2) (a) The transferring national officer of a conditional allocation, using the envisaged conditional allocations for the next financial year and the 2013/14 financial year as set out in Column B of the Schedules to this Act, must, by 3 October 2011, submit to the National Treasury for approval—

(i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the next financial year; 25

(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

(iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii) in the format to be determined by the National Treasury. 30

(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). 35

(c) The National Treasury may, if the transferring national officer fails to comply with paragraph (a) by 3 October 2011, determine—

(i) the provisional allocations in paragraph (a)(i);

(ii) any amendments to the envisaged allocations contemplated in paragraph (a)(ii); and 40

(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 2011. 45

(ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 7 December 2011, the National Treasury may determine the appropriate allocations, taking into consideration the envisaged allocations for the next financial year.

(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. 50

### **Expenditure prior to commencement of Division of Revenue Act, 2012**

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 2012, 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. 5

## **CHAPTER 5**

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

#### **Duties of municipalities** 10

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 2011/12 municipal financial year, and the two following municipal financial years. 15

(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. 20

(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. 25

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

(a) the category C municipality retains the power or function in terms of the Municipal Structures Act; and 30

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

(4) A category B municipality which is not authorised to perform a function in terms of the Municipal Structures Act may not extend the scope or type of services that it currently provides, without— 35

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

(b) obtaining the legal authorisation to perform the function in terms of the Municipal Structures Act. 40

(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. 45

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

(6) (a) The National Treasury may withhold or stop any allocation to the category C municipality and reallocate the allocation to the relevant category B municipalities if a category C municipality fails to— 50



- (i) make allocations referred to in subsection (1)(b);
  - (ii) reach an agreement contemplated in subsection (2); or
  - (iii) submit a payment schedule in accordance with subsection (5)(a).
- (b) Sections 16(3) and 17(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). 5
- (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. 10
- (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. 15
- (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 grant framework must relate to the requirements specified in the grant framework.
- (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. 20

#### 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. 25
- (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*:
- (i) The indicative allocation per municipality for every allocation to be made by the province to municipalities from the province's own funds; 30
  - (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; 35
  - (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 2013/14 financial year;
  - (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 40
  - (vi) the budget of each hospital in a format determined by the National Treasury.
- (b) The allocations and budgets referred to in paragraph (a) must be deemed to be final if the legislature passes the appropriation bill without any amendments.
- (c) In the event that the legislature amends the appropriation bill, the accounting officer of the provincial treasury must publish amended allocations and budgets in the *Gazette* within 14 days of the legislature passing the appropriation bill, which allocations must align to the appropriation bill as passed by the legislature, and which must be deemed to be final. 45

(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).

(b) Any amendments to the allocations published in terms of subsection (2)(a) must be published in the *Gazette* not later than 14 February 2012. 5

(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— 10

(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

(iii) actual transfers made by the province to municipalities, and actual expenditure by municipalities on such allocations, based on the most up to date information available from municipalities at the time of reporting. 15

(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. 20

(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

(ii) that transfers are made promptly in accordance therewith. 25

(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. 30

(7) Should a provincial treasury fail 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. 35

(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 should be taken. 45

### 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. 50

(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 24.

(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. 5

## CHAPTER 6

### GENERAL 10

#### **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. 15

#### **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. 20

(2) In the event that a dispute is referred back by a court in accordance with section 41(4) of the Constitution, due to the court not being satisfied that the organ of state approaching the court has complied with subsection (1), the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful. 25

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

#### **Irregular expenditure 30**

**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:

- (a) A transfer prohibited in terms of section 15(2);
- (b) a transfer by a transferring national officer to a bank account of a province or municipality that is not— 35
  - (i) the primary bank account;
  - (ii) in respect of provinces, a corporation for public deposits account; or
  - (iii) in respect of the Gautrain Rapid Rail Link Grant, the dedicated banking account configuration established for the transfer of the Gautrain Rapid Rail Link Grant in accordance with the directive issued by the National Treasury under section 10(2)(a) of the Division of Revenue Act, 2006 (Act No. 2 of 2006); or 40

- (c) 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 serious or persistent non-compliance with a provision of this Act or a framework published in terms of this Act constitutes financial misconduct. 5

(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 in subsection (1).

### Delegations and assignments 10

**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— 15

- (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. 20

(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. 25

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

### Exemptions 30

**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*. 35

### 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. 40

**Repeal of laws**

**38.** (1) Subject to subsection (2), the Division of Revenue Act, 2010 (Act No. 1 of 2010), with the exception of sections 28(8) and 38(1), is hereby repealed.

(2) The repeal of the Division of Revenue Act, 2010 (Act No. 1 of 2010), does not affect any duty or 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, 2011, and takes effect on 1 April 2011 or the date of publication thereof by the President in the *Gazette*, whichever is the later date. 10

## SCHEDULE 1

EQUITABLE DIVISION OF REVENUE RAISED NATIONALLY AMONG  
THE THREE SPHERES OF GOVERNMENT

| Spheres of Government   | Column A              | Column B           |                      |
|-------------------------|-----------------------|--------------------|----------------------|
|                         | 2011/12<br>Allocation | Forward Estimates  |                      |
|                         |                       | 2012/13            | 2013/14              |
|                         | <b>R'000</b>          | <b>R'000</b>       | <b>R'000</b>         |
| National <sup>1,2</sup> | 566 322 576           | 624 832 817        | 689 463 889          |
| Provincial              | 288 492 831           | 305 725 449        | 323 604 408          |
| Local                   | 34 107 901            | 37 573 396         | 39 960 288           |
| <b>TOTAL</b>            | <b>888 923 308</b>    | <b>968 131 662</b> | <b>1 053 028 585</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           |                    |
|---------------|-----------------------|--------------------|--------------------|
|               | 2011/12<br>Allocation | Forward Estimates  |                    |
|               |                       | 2012/13            | 2013/14            |
|               | <b>R'000</b>          | <b>R'000</b>       | <b>R'000</b>       |
| Eastern Cape  | 44 120 028            | 46 495 024         | 48 931 829         |
| Free State    | 17 520 835            | 18 430 860         | 19 363 325         |
| Gauteng       | 50 428 480            | 53 973 066         | 57 699 363         |
| KwaZulu-Natal | 62 927 556            | 66 877 612         | 70 992 966         |
| Limpopo       | 36 348 545            | 38 104 133         | 39 884 915         |
| Mpumalanga    | 23 378 714            | 24 570 021         | 25 786 476         |
| Northern Cape | 7 742 909             | 8 207 056          | 8 688 325          |
| North West    | 19 271 431            | 20 562 274         | 21 912 710         |
| Western Cape  | 26 754 333            | 28 505 403         | 30 344 499         |
| <b>TOTAL</b>  | <b>288 492 831</b>    | <b>305 725 449</b> | <b>323 604 408</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          |                  |
|   |                                       | 2011/12<br>Allocation<br>R'000 | Forward Estimates |                  |
| 2012/13<br>R'000                          | 2013/14<br>R'000                      |                                |                   |                  |
| <b>EASTERN CAPE</b>                       |                                       |                                |                   |                  |
| A   | BUF Buffalo City                      | 583 628                        | 644 542           | 686 869          |
| A   | NMA Nelson Mandela                    | 656 653                        | 730 416           | 778 401          |
| B   | EC101 Camdeboo                        | 33 092                         | 36 581            | 38 967           |
| B   | EC102 Blue Crane Route                | 34 998                         | 38 693            | 41 218           |
| B   | EC103 Ikwezi                          | 13 753                         | 15 192            | 16 183           |
| B   | EC104 Makana                          | 59 143                         | 65 410            | 69 677           |
| B   | EC105 Ndlambe                         | 49 522                         | 54 813            | 58 398           |
| B   | EC106 Sundays River Valley            | 32 105                         | 35 517            | 37 845           |
| B   | EC107 Baviaans                        | 15 153                         | 16 751            | 17 848           |
| B   | EC108 Kouga                           | 41 038                         | 45 585            | 48 593           |
| B   | EC109 Kou-Kamma                       | 25 910                         | 28 642            | 30 511           |
| C   | DC10 Cacadu District Municipality     | 67 220                         | 69 666            | 72 317           |
| <b>Total: Cacadu Municipalities</b>       |                                       | <b>371 935</b>                 | <b>406 850</b>    | <b>431 557</b>   |
| B   | EC121 Mbhashe                         | 105 238                        | 116 503           | 124 173          |
| B   | EC122 Mnquma                          | 136 070                        | 150 518           | 160 377          |
| B   | EC123 Great Kei                       | 28 209                         | 31 184            | 33 221           |
| B   | EC124 Amahlathi                       | 79 616                         | 87 995            | 93 737           |
| B   | EC126 Ngqushwa                        | 55 140                         | 60 965            | 64 949           |
| B   | EC127 Nkonkobe                        | 76 099                         | 84 004            | 89 451           |
| B   | EC128 Nxuba                           | 18 627                         | 20 591            | 21 935           |
| C   | DC12 Amatole District Municipality    | 530 281                        | 583 693           | 627 182          |
| <b>Total: Amatole Municipalities</b>      |                                       | <b>1 029 279</b>               | <b>1 135 453</b>  | <b>1 215 023</b> |
| B   | EC131 Inxuba Yethemba                 | 35 770                         | 39 535            | 42 109           |
| B   | EC132 Tsolwana                        | 21 878                         | 24 165            | 25 740           |
| B   | EC133 Inkwanca                        | 15 748                         | 17 399            | 18 534           |
| B   | EC134 Lukhanji                        | 96 062                         | 106 129           | 113 038          |
| B   | EC135 Intsika Yethu                   | 78 404                         | 86 613            | 92 256           |
| B   | EC136 Emalahleni                      | 61 619                         | 68 112            | 72 564           |
| B   | EC137 Engcobo                         | 66 596                         | 73 753            | 78 619           |
| B   | EC138 Sakhisizwe                      | 34 165                         | 37 799            | 40 278           |
| C   | DC13 Chris Hani District Municipality | 325 908                        | 360 052           | 384 758          |
| <b>Total: Chris Hani Municipalities</b>   |                                       | <b>736 151</b>                 | <b>813 558</b>    | <b>867 896</b>   |
| B   | EC141 Elundini                        | 64 855                         | 71 762            | 76 475           |
| B   | EC142 Senqu                           | 79 190                         | 87 568            | 93 295           |
| B   | EC143 Maletswai                       | 20 224                         | 22 351            | 23 809           |
| B   | EC144 Gariep                          | 22 167                         | 24 507            | 26 107           |
| C   | DC14 Joe Gqabi District Municipality  | 149 031                        | 164 710           | 175 859          |
| <b>Total: Joe Gqabi Municipalities</b>    |                                       | <b>335 467</b>                 | <b>370 898</b>    | <b>395 545</b>   |
| B   | EC153 Ngquza Hill                     | 97 182                         | 107 542           | 114 611          |
| B   | EC154 Port St Johns                   | 59 537                         | 65 862            | 70 188           |
| B   | EC155 Nyandeni                        | 111 925                        | 123 822           | 131 944          |
| B   | EC156 Mhlontlo                        | 87 213                         | 96 486            | 102 818          |
| B   | EC157 King Sabata Dalindyebo          | 153 086                        | 169 585           | 180 725          |
| C   | DC15 O.R. Tambo District Municipality | 416 223                        | 450 392           | 480 874          |
| <b>Total: O.R. Tambo Municipalities</b>   |                                       | <b>925 167</b>                 | <b>1 013 688</b>  | <b>1 081 159</b> |
| B   | EC441 Matatiele                       | 92 449                         | 102 304           | 109 023          |
| B   | EC442 Umzimvubu                       | 92 993                         | 102 906           | 109 667          |
| B   | EC443 Mbizana                         | 98 860                         | 109 353           | 116 530          |
| B   | EC152 Ntabankulu                      | 54 929                         | 60 753            | 64 740           |
| C   | DC44 Alfred Nzo District Municipality | 265 535                        | 294 916           | 315 328          |
| <b>Total: Alfred Nzo Municipalities</b>   |                                       | <b>604 767</b>                 | <b>670 232</b>    | <b>715 289</b>   |
| <b>Total: Eastern Cape Municipalities</b> |                                       | <b>5 243 046</b>               | <b>5 785 638</b>  | <b>6 171 740</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          |                  |
|   |   | 2011/12<br>Allocation<br>R'000 | Forward Estimates |                  |
| 2012/13<br>R'000                                | 2013/14<br>R'000                              |                                |                   |                  |
| <b>FREE STATE</b>                               |   |                                |                   |                  |
| A   | MAN Mangaung                                  | 546 417                        | 603 089           | 642 590          |
| B   | FS161 Letsemeng                               | 45 212                         | 49 982            | 53 241           |
| B   | FS162 Kopanong                                | 79 334                         | 87 704            | 93 418           |
| B   | FS163 Mohokare                                | 45 632                         | 50 451            | 53 741           |
| B   | FS171 Naledi                                  | 33 288                         | 36 803            | 39 204           |
| C   | DC16 Xhariep District Municipality            | 20 629                         | 22 002            | 23 067           |
| <b>Total: Xhariep Municipalities</b>            |   | <b>224 095</b>                 | <b>246 941</b>    | <b>262 671</b>   |
| B   | FS181 Masilonyana                             | 72 352                         | 79 980            | 85 192           |
| B   | FS182 Tokologo                                | 38 552                         | 42 614            | 45 393           |
| B   | FS183 Tswelopele                              | 55 333                         | 61 187            | 65 182           |
| B   | FS184 Matjhabeng                              | 390 659                        | 432 635           | 460 936          |
| B   | FS185 Nala                                    | 120 920                        | 133 667           | 142 372          |
| C   | DC18 Lejweleputswa District Municipality      | 93 735                         | 97 203            | 101 043          |
| <b>Total: Lejweleputswa Municipalities</b>      |   | <b>771 551</b>                 | <b>847 286</b>    | <b>900 117</b>   |
| B   | FS191 Setsoto                                 | 147 875                        | 163 504           | 174 167          |
| B   | FS192 Dihlabeng                               | 114 851                        | 127 105           | 135 413          |
| B   | FS193 Nketoana                                | 69 567                         | 76 929            | 81 951           |
| B   | FS194 Maluti a Phofung                        | 305 453                        | 338 239           | 360 402          |
| B   | FS195 Phumelela                               | 49 899                         | 55 167            | 58 766           |
| B   | FS196 Mantsopa                                | 59 517                         | 37 002            | 70 096           |
| C   | DC19 Thabo Mofutsanyana District Municipality | 72 399                         | 76 038            | 79 952           |
| <b>Total: Thabo Mofutsanyana Municipalities</b> |   | <b>819 560</b>                 | <b>873 983</b>    | <b>960 747</b>   |
| B   | FS201 Moqhaka                                 | 145 181                        | 160 452           | 170 892          |
| B   | FS203 Ngwathe                                 | 137 311                        | 151 789           | 161 675          |
| B   | FS204 Metsimaholo                             | 88 125                         | 97 702            | 104 114          |
| B   | FS205 Mafube                                  | 67 075                         | 74 135            | 78 962           |
| C   | DC20 Fezile Dabi                              | 127 132                        | 131 308           | 135 790          |
| <b>Total: Fezile Dabi Municipalities</b>        |   | <b>564 823</b>                 | <b>615 385</b>    | <b>651 434</b>   |
| <b>Total: Free State Municipalities</b>         |   | <b>2 926 447</b>               | <b>3 186 684</b>  | <b>3 417 559</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          |                  |
|  |                                      | 2011/12 Allocation      | Forward Estimates |                  |
|  |                                      | 2012/13                 | 2013/14           |                  |
|  |                                      | R'000                   | R'000             | R'000            |
| <b>GAUTENG</b>                         |                                      |                         |                   |                  |
| A                                      | EKU Ekurhuleni                       | 1 644 128               | 1 828 391         | 1 949 038        |
| A                                      | JHB City of Johannesburg             | 1 897 561               | 2 134 780         | 2 276 247        |
| A                                      | TSH City of Tshwane                  | 923 020                 | 1 031 527         | 1 100 611        |
| B                                      | GT421 Emfuleni                       | 539 842                 | 597 880           | 636 986          |
| B                                      | GT422 Midvaal                        | 44 379                  | 49 238            | 52 480           |
| B                                      | GT423 Lesedi                         | 52 626                  | 58 222            | 62 021           |
| C                                      | DC42 Sedibeng District Municipality  | 220 439                 | 227 627           | 233 903          |
| <b>Total: Sedibeng Municipalities</b>  |                                      | <b>857 285</b>          | <b>932 967</b>    | <b>985 390</b>   |
| B                                      | GT481 Mogale City                    | 189 605                 | 210 233           | 224 025          |
| B                                      | GT482 Randfontein                    | 81 638                  | 90 469            | 96 398           |
| B                                      | GT483 Westonaria                     | 87 796                  | 97 063            | 103 392          |
| B                                      | GT484 Merafong City                  | 167 868                 | 185 935           | 198 124          |
| C                                      | DC48 West Rand District Municipality | 163 221                 | 168 881           | 173 109          |
| <b>Total: West Rand Municipalities</b> |                                      | <b>690 128</b>          | <b>752 581</b>    | <b>795 048</b>   |
| <b>Total: Gauteng Municipalities</b>   |                                      | <b>6 012 123</b>        | <b>6 680 246</b>  | <b>7 106 335</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          |                |
|  |  | 2011/12 Allocation      | Forward Estimates |                |
|  |  | 2012/13                 | 2013/14           |                |
|  |  | R'000                   | R'000             | R'000          |
| <b>KWAZULU-NATAL</b>                       |  |                         |                   |                |
| A  | ETH eThekweni                            | 1 595 941               | 1 773 889         | 1 891 834      |
| B  | KZN211 Vulamehlo                         | 31 146                  | 34 452            | 36 712         |
| B  | KZN212 Umdoni                            | 24 104                  | 26 677            | 28 423         |
| B  | KZN213 Umzumbe                           | 76 198                  | 84 283            | 89 808         |
| B  | KZN214 UMuziwabantu                      | 38 288                  | 42 368            | 45 149         |
| B  | KZN215 Eziqoleni                         | 23 010                  | 25 457            | 27 127         |
| B  | KZN216 Hibiscus Coast                    | 76 844                  | 85 416            | 91 051         |
| C  | DC21 Ugu District Municipality           | 235 738                 | 260 342           | 278 485        |
| <b>Total: Ugu Municipalities</b>           |  | <b>505 328</b>          | <b>558 995</b>    | <b>596 755</b> |
| B  | KZN221 uMshwathi                         | 49 180                  | 54 362            | 57 915         |
| B  | KZN222 uMngeni                           | 30 559                  | 33 938            | 36 175         |
| B  | KZN223 Mooi Mpofana                      | 19 485                  | 21 553            | 22 962         |
| B  | KZN224 Impendle                          | 21 087                  | 23 335            | 24 868         |
| B  | KZN225 Msunduzi                          | 304 835                 | 339 004           | 361 409        |
| B  | KZN226 Mkhambathini                      | 24 863                  | 27 485            | 29 282         |
| B  | KZN227 Richmond                          | 25 849                  | 28 573            | 30 440         |
| C  | DC22 Umkungundlovu District Municipality | 286 019                 | 314 348           | 338 703        |
| <b>Total: Umkungundlovu Municipalities</b> |  | <b>761 877</b>          | <b>842 598</b>    | <b>901 755</b> |
| B  | KZN232 Emnambithi/Ladysmith              | 93 368                  | 103 324           | 110 079        |
| B  | KZN233 Indaka                            | 53 002                  | 58 621            | 62 458         |
| B  | KZN234 Umtshezi                          | 25 843                  | 28 630            | 30 510         |
| B  | KZN235 Okhahlamba                        | 55 031                  | 60 875            | 64 865         |
| B  | KZN236 Imbabazane                        | 57 268                  | 63 321            | 67 462         |
| C  | DC23 Uthukela District Municipality      | 229 471                 | 253 506           | 270 913        |
| <b>Total: Uthukela Municipalities</b>      |  | <b>513 982</b>          | <b>568 277</b>    | <b>606 286</b> |
| B  | KZN241 Endumeni                          | 27 416                  | 30 369            | 32 368         |
| B  | KZN242 Nquthu                            | 62 785                  | 69 485            | 74 053         |
| B  | KZN244 Msinga                            | 61 218                  | 67 731            | 72 182         |
| B  | KZN245 Umvoti                            | 36 785                  | 40 689            | 43 354         |
| C  | DC24 Umzinyathi District Municipality    | 160 451                 | 177 410           | 189 546        |
| <b>Total: Umzinyathi Municipalities</b>    |  | <b>348 655</b>          | <b>385 683</b>    | <b>411 503</b> |
| B  | KZN252 Newcastle                         | 244 400                 | 270 655           | 288 355        |
| B  | KZN253 Emadlangeni                       | 12 256                  | 13 549            | 14 436         |
| B  | KZ254 Dannhauser                         | 42 091                  | 46 545            | 49 591         |
| C  | DC25 Amajuba District Municipality       | 88 571                  | 97 343            | 104 815        |
| <b>Total: Amajuba Municipalities</b>       |  | <b>387 318</b>          | <b>428 091</b>    | <b>457 198</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          |                  |
|  |   | 2011/12<br>Allocation   | Forward Estimates |                  |
|  |   | 2012/13                 | 2013/14           |                  |
|  |   | R'000                   | R'000             | R'000            |
| B  | KZN261 eDumbe                           | 32 113                  | 35 522            | 37 849           |
| B  | KZN262 UPhongolo                        | 52 612                  | 58 176            | 61 981           |
| B  | KZN263 Abaqulusi                        | 69 224                  | 76 515            | 81 515           |
| B  | KZN265 Nongoma                          | 62 891                  | 69 561            | 74 122           |
| B  | KZN266 Ulundi                           | 68 274                  | 75 482            | 80 420           |
| C  | DC26 Zululand District Municipality     | 234 326                 | 258 934           | 276 726          |
| <b>Total: Zululand Municipalities</b>      |   | <b>519 441</b>          | <b>574 191</b>    | <b>612 613</b>   |
| B  | KZN271 Umhlabuyalingana                 | 49 682                  | 54 977            | 58 595           |
| B  | KZN272 Jozini                           | 64 897                  | 71 806            | 76 525           |
| B  | KZN273 The Big Five False Bay           | 12 396                  | 13 701            | 14 599           |
| B  | KZN274 Hlabisa                          | 38 543                  | 24 972            | 26 589           |
| B  | KZN275 Mtubatuba                        | 42 041                  | 46 763            | 49 926           |
| C  | DC27 Umkhanyakude District Municipality | 159 548                 | 176 416           | 188 500          |
| <b>Total: Umkhanyakude Municipalities</b>  |   | <b>367 107</b>          | <b>388 636</b>    | <b>414 735</b>   |
| B  | KZN281 Mfolozi                          | 37 931                  | 41 898            | 44 633           |
| B  | KZN282 uMhlathuze                       | 161 654                 | 179 231           | 190 994          |
| B  | KZN283 Ntambanana                       | 17 675                  | 19 514            | 20 786           |
| B  | KZN284 uMlalazi                         | 69 515                  | 76 827            | 81 845           |
| B  | KZN285 Mthonjaneni                      | 22 096                  | 24 442            | 26 043           |
| B  | KZN286 Nkandla                          | 44 648                  | 49 392            | 52 635           |
| C  | DC28 Uthungulu District Municipality    | 299 178                 | 328 816           | 354 199          |
| <b>Total: Uthungulu Municipalities</b>     |   | <b>652 698</b>          | <b>720 120</b>    | <b>771 135</b>   |
| B  | KZN291 Mandeni                          | 57 058                  | 63 057            | 67 171           |
| B  | KZN292 KwaDukuza                        | 65 237                  | 72 636            | 77 471           |
| B  | KZN293 Ndwedwe                          | 50 875                  | 56 207            | 59 874           |
| B  | KZN294 Maphumulo                        | 43 137                  | 47 728            | 50 862           |
| C  | DC29 iLembe District Municipality       | 206 729                 | 228 084           | 244 242          |
| <b>Total: iLembe Municipalities</b>        |   | <b>423 035</b>          | <b>467 712</b>    | <b>499 620</b>   |
| B  | KZN431 Ingwe                            | 44 868                  | 49 640            | 52 898           |
| B  | KZN432 Kwa Sani                         | 10 517                  | 11 617            | 12 375           |
| B  | KZN433 Greater Kokstad                  | 42 946                  | 47 560            | 50 680           |
| B  | KZN434 Ubuhlebezwe                      | 44 405                  | 49 112            | 52 331           |
| B  | KZN435 Umzimkhulu                       | 75 003                  | 82 979            | 88 423           |
| C  | DC43 Sisonke District Municipality      | 182 881                 | 202 113           | 215 785          |
| <b>Total: Sisonke Municipalities</b>       |   | <b>400 620</b>          | <b>443 021</b>    | <b>472 492</b>   |
| <b>Total: KwaZulu-Natal Municipalities</b> |   | <b>6 476 001</b>        | <b>7 151 211</b>  | <b>7 635 926</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          |                  |
|   |   | 2011/12 Allocation      | Forward Estimates |                  |
|   |   | 2012/13                 | 2013/14           |                  |
|   |   | R'000                   | R'000             | R'000            |
| <b>LIMPOPO</b>                                  |   |                         |                   |                  |
| B   | LIM331 Greater Giyani                         | 116 853                 | 129 173           | 137 610          |
| B   | LIM332 Greater Letaba                         | 117 473                 | 129 869           | 138 353          |
| B   | LIM333 Greater Tzaneen                        | 176 879                 | 195 784           | 208 601          |
| B   | LIM334 Ba-Phalaborwa                          | 53 751                  | 59 394            | 63 265           |
| B   | LIM335 Maruleng                               | 47 176                  | 52 144            | 55 552           |
| C   | DC33 Mopani District Municipality             | 419 718                 | 463 587           | 495 550          |
| <b>Total: Mopani Municipalities</b>             |   | <b>931 851</b>          | <b>1 029 952</b>  | <b>1 098 930</b> |
| B   | LIM341 Musina                                 | 27 908                  | 30 858            | 32 874           |
| B   | LIM342 Mutale                                 | 37 628                  | 41 594            | 44 316           |
| B   | LIM343 Thulamela                              | 235 608                 | 260 810           | 277 899          |
| B   | LIM344 Makhado                                | 212 830                 | 235 552           | 250 972          |
| C   | DC34 Vhembe District Municipality             | 431 171                 | 476 629           | 508 893          |
| <b>Total: Vhembe Municipalities</b>             |   | <b>945 145</b>          | <b>1 045 443</b>  | <b>1 114 955</b> |
| B   | LIM351 Blouberg                               | 79 413                  | 87 909            | 93 693           |
| B   | LIM352 Aganang                                | 66 770                  | 73 814            | 78 641           |
| B   | LIM353 Molemole                               | 66 171                  | 73 146            | 77 922           |
| B   | LIM354 Polokwane                              | 350 705                 | 388 419           | 413 878          |
| B   | LIM355 Lepelle-Nkumpi                         | 109 337                 | 120 857           | 128 749          |
| C   | DC35 Capricorn District Municipality          | 365 229                 | 402 266           | 431 885          |
| <b>Total: Capricorn Municipalities</b>          |   | <b>1 037 625</b>        | <b>1 146 411</b>  | <b>1 224 768</b> |
| B   | LIM361 Thabazimbi                             | 53 095                  | 58 755            | 62 602           |
| B   | LIM362 Lephale                                | 73 300                  | 79 669            | 84 829           |
| B   | LIM364 Mookgopong                             | 22 822                  | 25 260            | 26 918           |
| B   | LIM365 Modimolle                              | 50 075                  | 55 376            | 58 990           |
| B   | LIM366 Bela-Bela                              | 39 790                  | 44 012            | 46 885           |
| B   | LIM367 Mogalakwena                            | 225 142                 | 249 257           | 265 591          |
| C   | DC36 Waterberg District Municipality          | 87 880                  | 91 087            | 94 101           |
| <b>Total: Waterberg Municipalities</b>          |   | <b>552 105</b>          | <b>603 417</b>    | <b>639 917</b>   |
| B   | LIM471 Ephraim Mogale                         | 60 529                  | 66 895            | 71 260           |
| B   | LIM472 Elias Motsoaledi                       | 114 134                 | 126 125           | 134 349          |
| B   | LIM473 Makhuduthamaga                         | 126 339                 | 139 682           | 148 812          |
| B   | LIM474 Fetakgomo                              | 40 562                  | 44 840            | 47 774           |
| B   | LIM475 Greater Tubatse                        | 114 137                 | 126 220           | 134 480          |
| C   | DC47 Greater Sekhukhune District Municipality | 330 877                 | 365 664           | 390 926          |
| <b>Total: Greater Sekhukhune Municipalities</b> |   | <b>786 577</b>          | <b>869 427</b>    | <b>927 602</b>   |
| <b>Total: Limpopo Municipalities</b>            |   | <b>4 253 303</b>        | <b>4 694 650</b>  | <b>5 006 171</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          |                  |                  |
|   |              | 2011/12<br>Allocation              | Forward Estimates |                  |                  |
|   |              | 2012/13                            | 2013/14           |                  |                  |
|   |              | R'000                              | R'000             | R'000            |                  |
| <b>MPUMALANGA</b>                         |              |                                    |                   |                  |                  |
| B   | MP301        | Albert Luthuli                     | 141 281           | 156 282          | 166 510          |
| B   | MP302        | Msukaligwa                         | 93 142            | 103 000          | 109 722          |
| B   | MP303        | Mkhondo                            | 88 732            | 98 160           | 104 590          |
| B   | MP304        | Pixley Ka Seme                     | 74 975            | 82 907           | 88 318           |
| B   | MP305        | Lekwa                              | 69 959            | 77 364           | 82 412           |
| B   | MP306        | Dipaleseng                         | 39 319            | 43 465           | 46 299           |
| B   | MP307        | Govan Mbeki                        | 171 429           | 190 045          | 202 507          |
| C   | DC30         | Gert Sibande District Municipality | 246 282           | 254 200          | 261 625          |
| <b>Total: Gert Sibande Municipalities</b> |              |                                    | <b>925 119</b>    | <b>1 005 423</b> | <b>1 061 984</b> |
| B   | MP311        | Victor Khanye                      | 45 078            | 49 867           | 53 124           |
| B   | MP312        | Emalahleni                         | 163 854           | 181 726          | 193 663          |
| B   | MP313        | Steve Tshwete                      | 77 312            | 85 857           | 91 509           |
| B   | MP314        | Emakhazeni                         | 31 562            | 34 885           | 37 159           |
| B   | MP315        | Thembisile                         | 196 665           | 217 431          | 231 624          |
| B   | MP316        | Dr JS Moroka                       | 205 518           | 227 206          | 242 036          |
| C   | DC31         | Nkangala District Municipality     | 291 974           | 301 317          | 309 985          |
| <b>Total: Nkangala Municipalities</b>     |              |                                    | <b>1 011 962</b>  | <b>1 098 290</b> | <b>1 159 101</b> |
| B   | MP321        | Thaba Chweu                        | 66 696            | 73 750           | 78 563           |
| B   | MP322        | Mbombela                           | 282 081           | 312 447          | 332 931          |
| B   | MP323        | Umjindi                            | 43 164            | 47 758           | 50 884           |
| B   | MP324        | Nkomazi                            | 234 566           | 259 743          | 276 789          |
| B   | MP325        | Bushbuckridge                      | 398 491           | 440 908          | 469 771          |
| C   | DC32         | Ehlanzeni District Municipality    | 170 414           | 178 778          | 185 817          |
| <b>Total: Ehlanzeni Municipalities</b>    |              |                                    | <b>1 195 411</b>  | <b>1 313 385</b> | <b>1 394 754</b> |
| <b>Total: Mpumalanga Municipalities</b>   |              |                                    | <b>3 132 492</b>  | <b>3 417 098</b> | <b>3 615 839</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          |                  |
|  |  | 2011/12 Allocation      | Forward Estimates |                  |
|  |  | 2012/13                 | 2013/14           |                  |
|  |  | R'000                   | R'000             | R'000            |
| <b>NORTHERN CAPE</b>                             |  |                         |                   |                  |
| B  | NC061 Richtersveld                             | 10 415                  | 11 507            | 12 257           |
| B  | NC062 Nama Khoi                                | 28 625                  | 31 609            | 33 661           |
| B  | NC064 Kamiesberg                               | 10 907                  | 12 041            | 12 824           |
| B  | NC065 Hantam                                   | 17 683                  | 19 543            | 20 817           |
| B  | NC066 Karoo Hoogland                           | 11 544                  | 12 740            | 13 568           |
| B  | NC067 Khâi-Ma                                  | 10 921                  | 12 053            | 12 837           |
| C  | DC6 Namakwa District Municipality              | 29 792                  | 31 219            | 32 445           |
| <b>Total: Namakwa Municipalities</b>             |  | <b>119 887</b>          | <b>130 712</b>    | <b>138 409</b>   |
| B  | NC071 Ubuntu                                   | 15 669                  | 17 313            | 18 441           |
| B  | NC072 Umsobomvu                                | 26 095                  | 28 836            | 30 714           |
| B  | NC073 Emthanjeni                               | 30 439                  | 33 642            | 35 832           |
| B  | NC074 Kareeberg                                | 10 466                  | 11 565            | 12 319           |
| B  | NC075 Renosterberg                             | 12 912                  | 14 257            | 15 185           |
| B  | NC076 Thembelihle                              | 12 849                  | 14 194            | 15 120           |
| B  | NC077 Siyathemba                               | 17 829                  | 19 715            | 21 003           |
| B  | NC078 Siyancuma                                | 31 726                  | 35 106            | 37 408           |
| C  | DC7 Pixley Ka Seme District Municipality       | 24 727                  | 26 159            | 27 319           |
| <b>Total: Pixley Ka Seme Municipalities</b>      |  | <b>182 713</b>          | <b>200 786</b>    | <b>213 341</b>   |
| B  | NC081 Mier                                     | 8 620                   | 9 518             | 10 140           |
| B  | NC082 Kai !Garib                               | 41 556                  | 45 950            | 48 953           |
| B  | NC083 //Khara Hais                             | 46 121                  | 51 070            | 54 414           |
| B  | NC084 !Kheis                                   | 13 955                  | 15 416            | 16 422           |
| B  | NC085 Tsantsabane                              | 22 454                  | 24 844            | 26 473           |
| B  | NC086 Kgatelopele                              | 12 918                  | 14 266            | 15 194           |
| C  | DC8 Siyanda District Municipality              | 39 818                  | 41 647            | 43 304           |
| <b>Total: Siyanda Municipalities</b>             |  | <b>185 443</b>          | <b>202 712</b>    | <b>214 900</b>   |
| B  | NC091 Sol Plaatje                              | 132 176                 | 146 577           | 156 193          |
| B  | NC092 Dikgatlong                               | 40 046                  | 44 285            | 47 179           |
| B  | NC093 Magareng                                 | 25 546                  | 28 238            | 30 080           |
| B  | NC094 Phokwane                                 | 56 719                  | 62 706            | 66 797           |
| C  | DC9 Frances Baard District Municipality        | 79 281                  | 86 061            | 88 994           |
| <b>Total: Frances Baard Municipalities</b>       |  | <b>333 769</b>          | <b>367 868</b>    | <b>389 243</b>   |
| B  | NC451 Moshaweng                                | 63 808                  | 70 638            | 75 287           |
| B  | NC452 Ga-Segonyana                             | 58 219                  | 64 408            | 68 626           |
| B  | NC453 Gamagara                                 | 18 283                  | 20 213            | 21 532           |
| C  | DC45 John Taolo Gaetsewe District Municipality | 50 939                  | 54 196            | 56 721           |
| <b>Total: John Taolo Gaetsewe Municipalities</b> |  | <b>191 248</b>          | <b>209 455</b>    | <b>222 165</b>   |
| <b>Total: Northern Cape Municipalities</b>       |  | <b>1 013 059</b>        | <b>1 111 533</b>  | <b>1 178 060</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          |                  |                  |
|  |              | 2011/12 Allocation                              | Forward Estimates |                  |                  |
|  |              | 2012/13   | 2013/14           |                  |                  |
|  |              | R'000   | R'000             | R'000            |                  |
| <b>NORTH WEST</b>                                      |              |   |                   |                  |                  |
| B  | NW371        | Moretele  | 138 282           | 152 916          | 162 918          |
| B  | NW372        | Madibeng  | 247 326           | 273 870          | 291 812          |
| B  | NW373        | Rustenburg                                      | 231 669           | 256 655          | 273 476          |
| B  | NW374        | Kgetlengrivier                                  | 38 032            | 42 057           | 44 806           |
| B  | NW375        | Moses Kotane                                    | 203 756           | 225 305          | 240 017          |
| C  | DC37         | Bojanala Platinum District Municipality         | 232 094           | 239 987          | 247 826          |
| <b>Total: Bojanala Platinum Municipalities</b>         |              |   | <b>1 091 159</b>  | <b>1 190 789</b> | <b>1 260 855</b> |
| B  | NW381        | Ratlou  | 59 576            | 65 873           | 70 182           |
| B  | NW382        | Tswaing   | 56 186            | 62 108           | 66 164           |
| B  | NW383        | Mafikeng  | 109 725           | 121 500          | 129 460          |
| B  | NW384        | Ditsobotla                                      | 69 696            | 76 999           | 82 017           |
| B  | NW385        | Ramotshere Moiloa                               | 70 458            | 77 882           | 82 968           |
| C  | DC38         | Ngaka Modiri Molema                             | 357 615           | 394 150          | 422 535          |
| <b>Total: Ngaka Modiri Molema Municipalities</b>       |              |   | <b>723 256</b>    | <b>798 513</b>   | <b>853 327</b>   |
| B  | NW392        | Naledi  | 29 119            | 32 204           | 34 305           |
| B  | NW393        | Mamusa  | 28 210            | 31 172           | 33 205           |
| B  | NW394        | Greater Taung                                   | 88 632            | 97 982           | 104 392          |
| B  | NW396        | Lekwa-Teemane                                   | 24 989            | 27 613           | 29 413           |
| B  | NW397        | NW397   | 58 504            | 64 639           | 68 853           |
| C  | DC39         | Dr Ruth Segomotsi Mompati District Municipality | 188 347           | 207 978          | 179 335          |
| <b>Total: Dr Ruth Segomotsi Mompati Municipalities</b> |              |   | <b>417 801</b>    | <b>461 588</b>   | <b>449 503</b>   |
| B  | NW401        | Ventersdorp                                     | 40 951            | 45 287           | 48 247           |
| B  | NW402        | Tlokwe  | 76 801            | 85 191           | 90 788           |
| B  | NW403        | City of Matlosana                               | 303 560           | 336 019          | 357 961          |
| B  | NW404        | Maquassi Hills                                  | 69 259            | 76 618           | 81 631           |
| C  | DC40         | Dr Kenneth Kaunda District Municipality         | 153 622           | 158 939          | 155 901          |
| <b>Total: Dr Kenneth Kaunda Municipalities</b>         |              |   | <b>644 194</b>    | <b>702 054</b>   | <b>734 528</b>   |
| <b>Total: North West Municipalities</b>                |              |   | <b>2 876 410</b>  | <b>3 152 944</b> | <b>3 298 214</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          |                   |
|   |  | 2011/12 Allocation      | Forward Estimates |                   |
|   |  | 2012/13                 | 2013/14           |                   |
|   |  | R'000                   | R'000             | R'000             |
| <b>WESTERN CAPE</b>                         |  |                         |                   |                   |
| A   | CPT City of Cape Town                    | 970 473                 | 1 090 987         | 1 163 859         |
| B   | WC011 Matzikama                          | 32 066                  | 35 495            | 37 821            |
| B   | WC012 Cederberg                          | 23 008                  | 25 447            | 27 106            |
| B   | WC013 Bergrivier                         | 19 898                  | 22 010            | 23 445            |
| B   | WC014 Saldanha Bay                       | 29 296                  | 32 575            | 34 724            |
| B   | WC015 Swartland                          | 22 887                  | 25 392            | 27 058            |
| C   | DC1 West Coast District Municipality     | 68 652                  | 70 992            | 72 151            |
| <b>Total: West Coast Municipalities</b>     |  | <b>195 808</b>          | <b>211 911</b>    | <b>222 306</b>    |
| B   | WC022 Witzenberg                         | 40 561                  | 44 855            | 47 781            |
| B   | WC023 Drakenstein                        | 62 476                  | 69 437            | 74 007            |
| B   | WC024 Stellenbosch                       | 36 977                  | 41 252            | 43 992            |
| B   | WC025 Breede Valley                      | 56 804                  | 63 024            | 67 160            |
| B   | WC026 Langeberg                          | 45 172                  | 49 943            | 53 197            |
| C   | DC2 Cape Winelands District Municipality | 200 739                 | 207 135           | 210 408           |
| <b>Total: Cape Winelands Municipalities</b> |  | <b>442 730</b>          | <b>475 646</b>    | <b>496 545</b>    |
| B   | WC031 Theewaterskloof                    | 46 935                  | 51 892            | 55 272            |
| B   | WC032 Overstrand                         | 31 156                  | 34 666            | 36 957            |
| B   | WC033 Cape Agulhas                       | 14 805                  | 16 402            | 17 477            |
| B   | WC034 Swellendam                         | 16 648                  | 18 425            | 19 629            |
| C   | DC3 Overberg District Municipality       | 41 692                  | 43 229            | 44 363            |
| <b>Total: Overberg Municipalities</b>       |  | <b>151 236</b>          | <b>164 615</b>    | <b>173 698</b>    |
| B   | WC041 Kannaland                          | 16 840                  | 18 619            | 19 833            |
| B   | WC042 Hessequa                           | 23 227                  | 25 750            | 27 438            |
| B   | WC043 Mossel Bay                         | 36 942                  | 40 915            | 43 589            |
| B   | WC044 George                             | 72 201                  | 80 365            | 85 706            |
| B   | WC045 Oudtshoorn                         | 37 618                  | 41 577            | 44 281            |
| B   | WC047 Bitou                              | 20 415                  | 22 696            | 24 195            |
| B   | WC048 Knysna                             | 26 687                  | 29 726            | 31 695            |
| C   | DC4 Eden District Municipality           | 122 912                 | 126 954           | 129 701           |
| <b>Total: Eden Municipalities</b>           |  | <b>356 842</b>          | <b>386 601</b>    | <b>406 437</b>    |
| B   | WC051 Laingsburg                         | 8 239                   | 9 097             | 9 690             |
| B   | WC052 Prince Albert                      | 9 200                   | 10 149            | 10 809            |
| B   | WC053 Beaufort West                      | 28 956                  | 32 081            | 34 194            |
| C   | DC5 Central Karoo District Municipality  | 11 535                  | 12 304            | 12 906            |
| <b>Total: Central Karoo Municipalities</b>  |  | <b>57 931</b>           | <b>63 632</b>     | <b>67 599</b>     |
| <b>Total: Western Cape Municipalities</b>   |  | <b>2 175 019</b>        | <b>2 393 393</b>  | <b>2 530 444</b>  |
| <b>National Total</b>                       |  | <b>34 107 901</b>       | <b>37 573 396</b> | <b>39 960 288</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   |   |
|--|--|--|---|----------------------------------|--------------------------------|--|---|
|  |  |  |   |                                  | 2011/12<br>Allocation          | Forward Estimates  |   |
|  |  |  |   |                                  |                                | 2012/13  | 2013/14                                     |
|  |  |  |   |                                  | R'000                          | R'000  | R'000                                       |
| <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 smallholder and previously disadvantaged farmers      | General conditional allocation to provinces | Eastern Cape                     | 174 985                        | 195 209  | 223 523                                     |
|  |  |  |   | Free State                       | 102 932                        | 114 829  | 131 484                                     |
|  |  |  |   | Gauteng                          | 41 173                         | 45 931   | 52 594                                      |
|  |  |  |   | KwaZulu-Natal                    | 164 691                        | 183 726  | 210 375                                     |
|  |  |  |   | Limpopo                          | 154 398                        | 172 243  | 197 226                                     |
|  |  |  |   | Mpumalanga                       | 102 932                        | 114 829  | 131 484                                     |
|  |  |  |   | Northern Cape                    | 72 052                         | 80 380   | 92 039                                      |
|  |  |  |   | North West                       | 133 812                        | 149 277  | 170 930                                     |
|  |  |  |   | Western Cape                     | 82 346                         | 91 863   | 105 188                                     |
|  |  |  |   | <b>TOTAL</b>                     | <b>1 029 321</b>               | <b>1 148 287</b>   | <b>1 314 843</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; and to enhance capacity to deliver infrastructure in education | General conditional allocation to provinces |
| Free State   | 418 776  | 458 483  | 483 699                                     |                                  |                                |  |   |
| Gauteng  | 461 011  | 508 633  | 536 608                                     |                                  |                                |  |   |
| KwaZulu-Natal  | 1 158 136  | 1 270 878  | 1 340 777                                   |                                  |                                |  |   |
| Limpopo  | 874 897  | 865 485  | 913 086                                     |                                  |                                |  |   |
| Mpumalanga   | 472 881  | 463 237  | 488 715                                     |                                  |                                |  |   |
| Northern Cape  | 289 158  | 317 450  | 334 909                                     |                                  |                                |  |   |
| North West   | 469 967  | 515 812  | 544 182                                     |                                  |                                |  |   |
| Western Cape   | 385 039  | 424 558  | 447 909                                     |                                  |                                |  |   |
| <b>TOTAL</b>   | <b>5 498 300</b>                                   | <b>5 883 171</b>   | <b>6 206 745</b>                            |                                  |                                |  |   |
| <b>Health (Vote 16)</b>                              | (a) Health Infrastructure Grant                    | To supplement provincial funding of health infrastructure to accelerate the provision of health facilities and ensure proper maintenance of provincial health infrastructure | General conditional allocation to provinces |                                  |                                |  |   |
|  |  |  |   | Free State                       | 129 621                        | 141 911  | 149 716                                     |
|  |  |  |   | Gauteng                          | 142 694                        | 157 434  | 166 093                                     |
|  |  |  |   | KwaZulu-Natal                    | 358 471                        | 393 367  | 415 002                                     |
|  |  |  |   | Limpopo                          | 270 802                        | 267 888  | 282 622                                     |
|  |  |  |   | Mpumalanga                       | 146 368                        | 143 383  | 151 269                                     |
|  |  |  |   | Northern Cape                    | 89 501                         | 98 258   | 103 662                                     |
|  |  |  |   | North West                       | 145 466                        | 159 656  | 168 437                                     |
|  |  |  |   | Western Cape                     | 119 179                        | 131 411  | 138 638                                     |
|  |  |  |   | <b>TOTAL</b>                     | <b>1 701 856</b>               | <b>1 820 981</b>   | <b>1 921 134</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          |           |
|--|---|---|---|------------------|-----------------------|-------------------|-----------|
|  |   |   |   |                  | 2011/12<br>Allocation | Forward Estimates |           |
|  |   |   |   |                  |                       | 2012/13           | 2013/14   |
|  |   |   |   |                  | R'000                 | R'000             | R'000     |
| <b>Health<br/>(Vote 16)</b>                                | (b) Health Professions Training and Development Grant | Support provinces to fund service costs associated with training of health professionals; development and recruitment of medical specialists in under-served provinces; and support and strengthen undergraduate and postgraduate training processes in health facilities | Nationally assigned function to provinces   | Eastern Cape     | 170 071               | 178 730           | 188 560   |
|  |   |   |   | Free State       | 124 444               | 130 930           | 138 131   |
|  |   |   |   | Gauteng          | 690 803               | 725 310           | 765 202   |
|  |   |   |   | KwaZulu-Natal    | 249 917               | 261 860           | 276 262   |
|  |   |   |   | Limpopo          | 99 730                | 103 913           | 109 628   |
|  |   |   |   | Mpumalanga       | 80 718                | 85 208            | 89 894    |
|  |   |   |   | Northern Cape    | 65 510                | 68 583            | 72 356    |
|  |   |   |   | North West       | 88 323                | 93 522            | 98 666    |
|  |   |   |   | Western Cape     | 407 794               | 428 120           | 451 667   |
|  | <b>TOTAL</b>  | <b>1 977 310</b>  | <b>2 076 176</b>                            | <b>2 190 366</b> |                       |                   |           |
|  | (c) National Tertiary Services Grant                  | To compensate tertiary facilities for the additional costs associated with spill over effects; and to ensure adequate provision of tertiary health services for all South African citizens  | Nationally assigned function to provinces   | Eastern Cape     | 609 327               | 660 693           | 698 110   |
|  |   |   |   | Free State       | 715 204               | 769 964           | 800 000   |
|  |   |   |   | Gauteng          | 2 759 968             | 2 933 361         | 3 100 895 |
|  |   |   |   | KwaZulu-Natal    | 1 201 831             | 1 303 824         | 1 408 053 |
|  |   |   |   | Limpopo          | 267 314               | 277 314           | 287 314   |
|  |   |   |   | Mpumalanga       | 91 879                | 105 970           | 120 270   |
|  |   |   |   | Northern Cape    | 235 948               | 245 948           | 255 948   |
| North West   |   |   |   | 194 280          | 209 280               | 224 280           |           |
| Western Cape   |   |   |   | 1 973 127        | 2 182 468             | 2 494 337         |           |
| <b>TOTAL</b>   | <b>8 048 878</b>                                      | <b>8 688 822</b>  | <b>9 389 207</b>                            |                  |                       |                   |           |
| <b>Higher<br/>Education and<br/>Training<br/>(Vote 17)</b> | Further Education and Training Colleges Grant         | To ensure the successful transfer of the further education and training colleges function to the national Department of Higher Education and Training   | General conditional allocation to provinces | Eastern Cape     | 627 611               | 681 826           | 761 118   |
|  |   |   |   | Free State       | 291 772               | 314 461           | 346 682   |
|  |   |   |   | Gauteng          | 1 012 089             | 1 101 754         | 1 233 994 |
|  |   |   |   | KwaZulu-Natal    | 754 793               | 828 470           | 939 709   |
|  |   |   |   | Limpopo          | 490 395               | 531 141           | 590 206   |
|  |   |   |   | Mpumalanga       | 320 378               | 341 147           | 370 651   |
|  |   |   |   | Northern Cape    | 65 656                | 75 558            | 89 875    |
|  |   |   |   | North West       | 236 178               | 254 511           | 280 449   |
|  |   |   |   | Western Cape     | 527 117               | 576 220           | 649 704   |
| <b>TOTAL</b>   | <b>4 325 989</b>                                      | <b>4 705 088</b>  | <b>5 262 388</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           |                    |
|--------------------------------|--|---|---|---------------|-----------------------|--------------------|--------------------|
|                                |  |   |   |               | 2011/12<br>Allocation | Forward Estimates  |                    |
|                                |  |   |   |               |                       | 2012/13            | 2013/14            |
| <b>Transport<br/>(Vote 37)</b> | (a) Provincial Roads Maintenance Grant | To supplement provincial roads investments and support preventative maintenance on provincial road networks; and to ensure provinces implement and maintain road asset management systems | General conditional allocation to provinces | Eastern Cape  | R'000<br>1 034 086    | R'000<br>1 215 920 | R'000<br>1 312 210 |
|                                |  |   |   | Free State    | 447 165               | 525 794            | 567 433            |
|                                |  |   |   | Gauteng       | 566 917               | 583 226            | 625 542            |
|                                |  |   |   | KwaZulu-Natal | 1 236 648             | 1 454 099          | 1 569 251          |
|                                |  |   |   | Limpopo       | 934 208               | 1 098 478          | 1 185 468          |
|                                |  |   |   | Mpumalanga    | 1 016 603             | 1 253 564          | 1 449 002          |
|                                |  |   |   | Northern Cape | 308 760               | 363 053            | 391 803            |
|                                |  |   |   | North West    | 501 826               | 590 067            | 636 795            |
|                                |  |   |   | Western Cape  | 411 141               | 483 437            | 521 720            |
|                                |  |   |   | <b>TOTAL</b>  | <b>6 457 354</b>      | <b>7 567 638</b>   | <b>8 259 224</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  | 166 953               | 180 461            | 196 061            |
|                                |  |   |   | Free State    | 184 566               | 195 515            | 208 162            |
|                                |  |   |   | Gauteng       | 1 577 612             | 1 635 695          | 1 702 781          |
|                                |  |   |   | KwaZulu-Natal | 773 473               | 815 611            | 864 281            |
|                                |  |   |   | Limpopo       | 249 498               | 274 561            | 303 510            |
|                                |  |   |   | Mpumalanga    | 420 099               | 436 626            | 455 715            |
|                                |  |   |   | Northern Cape | 37 565                | 42 715             | 48 662             |
|                                |  |   |   | North West    | 77 211                | 89 230             | 103 111            |
|                                |  |   |   | Western Cape  | 666 255               | 690 480            | 718 460            |
| <b>TOTAL</b>                   | <b>4 153 232</b>                       | <b>4 360 894</b>  | <b>4 600 743</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                |                         |
|--|-------------------------------------|--|----------------------|-------------------------|-------------------------|-------------------------|
|  |                                     |  |                      | 2011/12<br>Allocation   | Forward Estimates       |                         |
|  |                                     |  |                      |                         | 2012/13                 | 2013/14                 |
| <b>Human<br/>Settlements<br/>(Vote 31)</b> | Urban Settlements Development Grant | To improve the efficiency and coordination of investments in the built environment by providing large municipalities with appropriate resources and control over the selection and pursuit of investment programmes in the built environment | Buffalo City         | <b>R'000</b><br>423 446 | <b>R'000</b><br>497 908 | <b>R'000</b><br>547 338 |
|  |                                     |  | City of Cape Town    | 824 030                 | 972 615                 | 1 067 485               |
|  |                                     |  | City of Johannesburg | 1 027 970               | 1 216 260               | 1 333 559               |
|  |                                     |  | City of Tshwane      | 891 081                 | 1 053 856               | 1 155 692               |
|  |                                     |  | Ekurhuleni           | 1 094 276               | 1 297 640               | 1 421 452               |
|  |                                     |  | eThekweni            | 1 091 574               | 1 299 706               | 1 421 322               |
|  |                                     |  | Mangaung             | 411 995                 | 483 427                 | 531 884                 |
|  |                                     |  | Nelson Mandela Bay   | 502 626                 | 588 100                 | 648 074                 |
|  |                                     |  | <b>TOTAL</b>         | <b>6 266 998</b>        | <b>7 409 512</b>        | <b>8 126 806</b>        |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote   | Name of allocation   | Purpose  | Type of allocation     | Province       | Column A              | Column B          |                |
|--|--|--|------------------------|----------------|-----------------------|-------------------|----------------|
|  |  |  |                        |                | 2011/12<br>Allocation | Forward Estimates |                |
|  |  |  |                        |                |                       | 2012/13           | 2013/14        |
|  |  |  |                        |                | R'000                 | R'000             | R'000          |
| <b>Agriculture, Forestry and Fisheries (Vote 26)</b> | (a) Ilima/Letsema Projects Grant   | To assist targeted vulnerable South African farming communities to increase agricultural production and improve farming skills   | Conditional allocation | Eastern Cape   | 40 000                | 42 000            | 44 310         |
|  |  |  |                        | Free State     | 52 000                | 54 600            | 57 603         |
|  |  |  |                        | Gauteng        | 20 000                | 21 000            | 22 155         |
|  |  |  |                        | KwaZulu-Natal  | 60 000                | 63 000            | 66 465         |
|  |  |  |                        | Limpopo        | 40 000                | 42 000            | 44 310         |
|  |  |  |                        | Mpumalanga     | 40 000                | 42 000            | 44 310         |
|  |  |  |                        | Northern Cape  | 60 000                | 63 000            | 66 465         |
|  |  |  |                        | North West     | 40 000                | 42 000            | 44 310         |
|  |  |  |                        | Western Cape   | 48 000                | 50 400            | 53 172         |
|  | <b>TOTAL</b>   | <b>400 000</b>   | <b>420 000</b>         | <b>443 100</b> |                       |                   |                |
|  | (b) Land Care Programme Grant: Poverty Relief and Infrastructure Development | To enhance the sustainable conservation of natural agriculture resources through a community-based participatory approach; create job opportunities through the Expanded Public Works programme; and to create an enabling environment for improved food security and poverty relief | Conditional allocation | Eastern Cape   | 9 244                 | 16 823            | 15 866         |
|  |  |  |                        | Free State     | 4 622                 | 8 953             | 8 571          |
|  |  |  |                        | Gauteng        | 4 044                 | 6 246             | 6 163          |
|  |  |  |                        | KwaZulu-Natal  | 9 244                 | 20 304            | 18 746         |
|  |  |  |                        | Limpopo        | 8 667                 | 20 356            | 19 562         |
|  |  |  |                        | Mpumalanga     | 5 198                 | 10 958            | 10 249         |
|  |  |  |                        | Northern Cape  | 6 355                 | 12 724            | 12 055         |
| North West   |  |  |                        | 6 932          | 11 557                | 10 552            |                |
| Western Cape   |  |  |                        | 3 466          | 7 740                 | 7 233             |                |
| <b>TOTAL</b>   | <b>57 772</b>  | <b>115 661</b>   | <b>108 997</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   | 80 974                | 79 273            | 75 633         |
|  |  |  |                        | Free State     | 47 909                | 50 304            | 55 070         |
|  |  |  |                        | Gauteng        | 54 716                | 57 452            | 60 611         |
|  |  |  |                        | KwaZulu-Natal  | 45 401                | 48 619            | 56 297         |
|  |  |  |                        | Limpopo        | 66 497                | 69 822            | 73 662         |
|  |  |  |                        | Mpumalanga     | 66 497                | 69 822            | 73 662         |
|  |  |  |                        | Northern Cape  | 69 900                | 73 395            | 77 430         |
|  |  |  |                        | North West     | 62 832                | 65 973            | 69 601         |
|  |  |  |                        | Western Cape   | 48 694                | 56 129            | 60 216         |
|  |  |  |                        | <b>TOTAL</b>   | <b>543 420</b>        | <b>570 789</b>    | <b>602 182</b> |

## SCHEDULE 5

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote                                 | Name of allocation                             | Purpose  | Type of allocation     | Province      | Column A              | Column B          |                  |
|--------------------------------------|--|--|------------------------|---------------|-----------------------|-------------------|------------------|
|                                      |  |  |                        |               | 2011/12<br>Allocation | Forward Estimates |                  |
|                                      |  |  |                        |               |                       | 2012/13           | 2013/14          |
|                                      |  |  |                        |               | R'000                 | R'000             | R'000            |
| <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; and to improve teachers content knowledge of Mathematics and Physical Science   | Conditional allocation | Eastern Cape  | 8 400                 | 12 000            | 12 660           |
|                                      |  |  |                        | Free State    | 5 040                 | 7 200             | 7 596            |
|                                      |  |  |                        | Gauteng       | 14 140                | 20 200            | 21 311           |
|                                      |  |  |                        | KwaZulu-Natal | 12 320                | 17 600            | 18 568           |
|                                      |  |  |                        | Limpopo       | 7 140                 | 10 200            | 10 761           |
|                                      |  |  |                        | Mpumalanga    | 6 440                 | 9 200             | 9 706            |
|                                      |  |  |                        | Northern Cape | 2 380                 | 3 400             | 3 587            |
|                                      |  |  |                        | North West    | 7 420                 | 10 600            | 11 183           |
|                                      |  |  |                        | Western Cape  | 6 720                 | 9 600             | 10 128           |
|                                      |  |  |                        | <b>TOTAL</b>  | <b>70 000</b>         | <b>100 000</b>    | <b>105 500</b>   |
|                                      | (b) HIV and Aids (Life Skills Education) Grant | To support South Africa's HIV prevention strategy by increasing sexual and reproductive 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; and 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  | 34 346                | 35 322            | 37 265           |
|                                      |  |  |                        | Free State    | 11 772                | 12 561            | 13 252           |
|                                      |  |  |                        | Gauteng       | 28 175                | 29 217            | 30 824           |
|                                      |  |  |                        | KwaZulu-Natal | 45 114                | 46 876            | 49 445           |
|                                      |  |  |                        | Limpopo       | 28 088                | 30 012            | 31 663           |
|                                      |  |  |                        | Mpumalanga    | 16 388                | 17 486            | 18 448           |
|                                      |  |  |                        | Northern Cape | 4 357                 | 4 649             | 4 905            |
|                                      |  |  |                        | North West    | 14 700                | 15 685            | 16 555           |
|                                      |  |  |                        | Western Cape  | 16 388                | 17 486            | 18 448           |
|                                      |  |  |                        | <b>TOTAL</b>  | <b>199 328</b>        | <b>209 294</b>    | <b>220 805</b>   |
|                                      | (c) National School Nutrition Programme Grant  | To provide nutritious meals to targeted learners   | Conditional allocation | Eastern Cape  | 845 166               | 909 644           | 959 674          |
|                                      |  |  |                        | Free State    | 244 699               | 263 367           | 277 852          |
|                                      |  |  |                        | Gauteng       | 509 798               | 548 690           | 578 868          |
|                                      |  |  |                        | KwaZulu-Natal | 1 070 013             | 1 151 644         | 1 214 985        |
|                                      |  |  |                        | Limpopo       | 829 669               | 892 964           | 942 077          |
|                                      |  |  |                        | Mpumalanga    | 440 923               | 474 560           | 500 661          |
|                                      |  |  |                        | Northern Cape | 105 116               | 113 136           | 119 359          |
|                                      |  |  |                        | North West    | 305 935               | 329 301           | 347 412          |
|                                      |  |  |                        | Western Cape  | 227 433               | 244 784           | 258 247          |
|                                      |  |  |                        | <b>TOTAL</b>  | <b>4 578 752</b>      | <b>4 928 090</b>  | <b>5 199 135</b> |

**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote                                 | Name of allocation                                     | Purpose   | Type of allocation     | Province      | Column A              | Column B          |                   |
|--------------------------------------|--|---|------------------------|---------------|-----------------------|-------------------|-------------------|
|                                      |  |   |                        |               | 2011/12<br>Allocation | Forward Estimates |                   |
|                                      |  |   |                        |               |                       | 2012/13           | 2013/14           |
|                                      |  |   |                        |               | R'000                 | R'000             | R'000             |
| <b>Basic Education<br/>(Vote 15)</b> | (d) Technical Secondary Schools Recapitalisation Grant | To recapitalise technical schools to improve the capacity to contribute to skills development and training  | Conditional allocation | Eastern Cape  | 37 584                | 39 464            | 41 635            |
|                                      |  |   |                        | Free State    | 14 428                | 15 150            | 15 983            |
|                                      |  |   |                        | Gauteng       | 30 596                | 32 127            | 33 894            |
|                                      |  |   |                        | KwaZulu-Natal | 38 563                | 40 490            | 42 717            |
|                                      |  |   |                        | Limpopo       | 27 450                | 28 822            | 30 407            |
|                                      |  |   |                        | Mpumalanga    | 18 078                | 18 983            | 20 027            |
|                                      |  |   |                        | Northern Cape | 7 667                 | 8 052             | 8 495             |
|                                      |  |   |                        | North West    | 17 015                | 17 867            | 18 850            |
|                                      |  |   |                        | Western Cape  | 8 619                 | 9 045             | 9 542             |
|                                      |  |   |                        | <b>TOTAL</b>  | <b>200 000</b>        | <b>210 000</b>    | <b>221 550</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; and to subsidise in-part funding for antiretroviral treatment programme | Conditional allocation | Eastern Cape  | 864 173               | 1 014 134         | 1 222 480         |
|                                      |  |   |                        | Free State    | 530 440               | 621 824           | 750 788           |
|                                      |  |   |                        | Gauteng       | 1 620 673             | 1 934 057         | 2 294 326         |
|                                      |  |   |                        | KwaZulu-Natal | 1 889 427             | 2 246 099         | 2 675 081         |
|                                      |  |   |                        | Limpopo       | 624 909               | 733 963           | 884 146           |
|                                      |  |   |                        | Mpumalanga    | 490 366               | 578 087           | 694 264           |
|                                      |  |   |                        | Northern Cape | 212 923               | 247 228           | 301 557           |
|                                      |  |   |                        | North West    | 599 437               | 705 969           | 848 533           |
|                                      |  |   |                        | Western Cape  | 660 614               | 743 249           | 935 489           |
|                                      |  |   |                        | <b>TOTAL</b>  | <b>7 492 962</b>      | <b>8 824 610</b>  | <b>10 606 664</b> |
| <b>Health<br/>(Vote 16)</b>          | (b) Forensic Pathology Services Grant                  | To continue the development and provision of adequate forensic pathology services in all provinces  | Conditional allocation | Eastern Cape  | 73 506                | -                 | -                 |
|                                      |  |   |                        | Free State    | 39 451                | -                 | -                 |
|                                      |  |   |                        | Gauteng       | 97 966                | -                 | -                 |
|                                      |  |   |                        | KwaZulu-Natal | 161 550               | -                 | -                 |
|                                      |  |   |                        | Limpopo       | 42 308                | -                 | -                 |
|                                      |  |   |                        | Mpumalanga    | 53 114                | -                 | -                 |
|                                      |  |   |                        | Northern Cape | 24 240                | -                 | -                 |
|                                      |  |   |                        | North West    | 28 019                | -                 | -                 |
|                                      |  |   |                        | Western Cape  | 70 226                | -                 | -                 |
|                                      |  |   |                        | <b>TOTAL</b>  | <b>590 380</b>        | <b>-</b>          | <b>-</b>          |

## SCHEDULE 5

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote                                       | Name of allocation                  | Purpose   | Type of allocation     | Province                         | Column A                                    | Column B   |                        |                   |
|--|-------------------------------------|---|------------------------|----------------------------------|---|--|------------------------|-------------------|
|  |                                     |   |                        |                                  | 2011/12<br>Allocation                       | Forward Estimates  |                        |                   |
|  |                                     |   |                        |                                  |   | 2012/13  | 2013/14                |                   |
| <b>Health<br/>(Vote 16)</b>                | (c) 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 | Conditional allocation | Eastern Cape                     | R'000                                       | R'000  | R'000                  |                   |
|  |                                     |   |                        | Free State                       | 382 048                                     | 402 678  | 387 104                |                   |
|  |                                     |   |                        | Gauteng                          | 417 883                                     | 438 140  | 412 172                |                   |
|  |                                     |   |                        | KwaZulu-Natal                    | 801 965                                     | 828 552  | 760 206                |                   |
|  |                                     |   |                        | Limpopo                          | 547 698                                     | 566 605  | 533 432                |                   |
|  |                                     |   |                        | Mpumalanga                       | 371 672                                     | 392 410  | 369 152                |                   |
|  |                                     |   |                        | Northern Cape                    | 356 557                                     | 378 014  | 355 081                |                   |
|  |                                     |   |                        | North West                       | 406 892                                     | 427 263  | 401 940                |                   |
|  |                                     |   |                        | Western Cape                     | 370 074                                     | 401 150  | 377 375                |                   |
|  |                                     |   |                        |                                  | 481 501                                     | 501 096  | 471 397                |                   |
|  |                                     |   |                        |                                  | <b>TOTAL</b>                                | <b>4 136 290</b>   | <b>4 335 908</b>       | <b>4 067 859</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                     | 2 177 676                                   | 2 274 820  | 2 403 688              |                   |
|  |                                     |   |                        | Free State                       | 913 907                                     | 954 326  | 1 006 814              |                   |
|  |                                     |   |                        | Gauteng                          | 3 804 611                                   | 3 970 951  | 4 186 987              |                   |
|  |                                     |   |                        | KwaZulu-Natal                    | 2 769 871                                   | 2 891 813  | 3 050 176              |                   |
|  |                                     |   |                        | Limpopo                          | 1 398 914                                   | 1 459 839  | 1 539 788              |                   |
|  |                                     |   |                        | Mpumalanga                       | 916 677                                     | 957 218  | 1 009 865              |                   |
|  |                                     |   |                        | Northern Cape                    | 322 639                                     | 336 906  | 355 437                |                   |
|  |                                     |   |                        | North West                       | 998 376                                     | 1 042 529  | 1 099 868              |                   |
|  |                                     |   |                        | Western Cape                     | 1 638 845                                   | 1 711 035  | 1 804 785              |                   |
|  |                                     |   |                        |                                  | <b>TOTAL</b>                                | <b>14 941 516</b>  | <b>15 599 437</b>      | <b>16 457 408</b> |
|  |                                     |   |                        | <b>Public Works<br/>(Vote 7)</b> | (a) Devolution of Property Rate Funds Grant | To facilitate the transfer of property rates expenditure responsibility to provinces | Conditional allocation | Eastern Cape      |
| Free State                                 | 219 916                             | 233 737   | 249 390                |                                  |   |  |                        |                   |
| Gauteng                                    | 270 775                             | 284 314   | 299 951                |                                  |   |  |                        |                   |
| KwaZulu-Natal                              | 518 585                             | 556 669   | 599 319                |                                  |   |  |                        |                   |
| Limpopo                                    | 34 054                              | 35 757  | 37 725                 |                                  |   |  |                        |                   |
| Mpumalanga                                 | 73 964                              | 77 647  | 84 601                 |                                  |   |  |                        |                   |
| Northern Cape                              | 41 754                              | 44 355  | 47 303                 |                                  |   |  |                        |                   |
| North West                                 | 160 192                             | 179 984   | 206 241                |                                  |   |  |                        |                   |
| Western Cape                               | 291 281                             | 322 730   | 351 963                |                                  |   |  |                        |                   |
|  | <b>TOTAL</b>                        | <b>1 803 230</b>  | <b>1 938 047</b>       |                                  |   |  |                        | <b>2 090 853</b>  |



**SCHEDULE 5**

**SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

| Vote   | Name of allocation  | Purpose   | Type of allocation     | Province      | Column A              | Column B          |                |
|--|---|---|------------------------|---------------|-----------------------|-------------------|----------------|
|  |   |   |                        |               | 2011/12<br>Allocation | Forward Estimates |                |
|  |   |   |                        |               |                       | 2012/13           | 2013/14        |
|  |   |   |                        |               | R'000                 | R'000             | R'000          |
| <b>Public Works<br/>(Vote 7)</b>                           | (b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces | To incentivise provincial social sector departments identified in the 2011 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  | 5 070                 | 7 120             | 9 139          |
|  |   |   |                        | Free State    | 15 586                | 18 703            | 22 444         |
|  |   |   |                        | Gauteng       | 34 848                | 41 818            | 50 181         |
|  |   |   |                        | KwaZulu-Natal | 30 269                | 32 485            | 34 354         |
|  |   |   |                        | Limpopo       | 28 332                | 33 998            | 40 798         |
|  |   |   |                        | Mpumalanga    | 13 407                | 16 088            | 19 306         |
|  |   |   |                        | Northern Cape | 13 890                | 16 669            | 20 002         |
|  |   |   |                        | North West    | 42 222                | 54 229            | 65 901         |
|  |   |   |                        | Western Cape  | 16 734                | 20 394            | 23 903         |
|  |   |   |                        | <b>TOTAL</b>  | <b>200 358</b>        | <b>241 504</b>    | <b>286 028</b> |
| <b>Sport and Recreation<br/>South Africa<br/>(Vote 20)</b> | Mass Sport and Recreation Participation Programme Grant                         | To facilitate mass participation within communities and schools through selected activities, empowerment of communities and schools in conjunction with relevant stakeholders   | Conditional allocation | Eastern Cape  | 63 570                | 66 749            | 70 420         |
|  |   |   |                        | Free State    | 33 078                | 34 732            | 36 642         |
|  |   |   |                        | Gauteng       | 71 148                | 74 705            | 78 814         |
|  |   |   |                        | KwaZulu-Natal | 87 694                | 92 078            | 97 142         |
|  |   |   |                        | Limpopo       | 53 636                | 56 318            | 59 415         |
|  |   |   |                        | Mpumalanga    | 38 382                | 40 301            | 42 518         |
|  |   |   |                        | Northern Cape | 26 372                | 27 691            | 29 214         |
|  |   |   |                        | North West    | 35 124                | 36 880            | 38 909         |
|  |   |   |                        | Western Cape  | 42 964                | 45 112            | 47 593         |
|  |   |   |                        | <b>TOTAL</b>  | <b>451 968</b>        | <b>474 566</b>    | <b>500 667</b> |
| <b>Transport<br/>(Vote 37)</b>                             | Gautrain Rapid Rail Link  | To provide for national government funding contribution to the Gauteng Provincial Government for the construction of a fully integrated Gautrain Rapid Rail network   | Conditional allocation | Eastern Cape  | -                     | -                 | -              |
|  |   |   |                        | Free State    | -                     | -                 | -              |
|  |   |   |                        | Gauteng       | 5 300                 | -                 | -              |
|  |   |   |                        | KwaZulu-Natal | -                     | -                 | -              |
|  |   |   |                        | Limpopo       | -                     | -                 | -              |
|  |   |   |                        | Mpumalanga    | -                     | -                 | -              |
|  |   |   |                        | Northern Cape | -                     | -                 | -              |
|  |   |   |                        | North West    | -                     | -                 | -              |
|  |   |   |                        | Western Cape  | -                     | -                 | -              |
|  |   |   |                        | <b>TOTAL</b>  | <b>5 300</b>          | <b>-</b>          | <b>-</b>       |

**SCHEDULE 6**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**

| Vote   | Name of allocation  | Purpose   | Column A              | Column B          |                   |
|--|---|---|-----------------------|-------------------|-------------------|
|  |   |   | 2011/12<br>Allocation | Forward Estimates |                   |
|  |   |   |                       | 2012/13           | 2013/14           |
|  |   |   | R'000                 | R'000             | R'000             |
| <b>RECURRENT GRANTS</b>  |   |   |                       |                   |                   |
| <b>Cooperative Governance and Traditional Affairs (Vote 3)</b> | Municipal Systems Improvement Grant                                 | To assist municipalities in building 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 local government turnaround strategy  | 219 420               | 230 096           | 242 734           |
| <b>National Treasury (Vote 10)</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 (MFMA) As part of strengthening financial and asset management in municipalities, the grant provides funding for water and energy internship programme to graduates in selected water boards and municipalities | 434 641               | 479 333           | 526 086           |
| <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   | 560 794               | 399 000           | 420 945           |
| <b>TOTAL</b>   |   |   | <b>1 214 855</b>      | <b>1 108 429</b>  | <b>1 189 765</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   | 11 443 505            | 13 914 132        | 14 679 408        |
| <b>Energy (Vote 29)</b>  | (a) Integrated National Electrification Programme (Municipal) Grant | To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply               | 1 096 612             | 1 151 443         | 1 214 772         |
|  | (b) Electricity Demand Side Management (Municipal) Grant            | To implement the Electricity Demand Side Management (EDSM) programme by providing subsidies to licenced distributors to address EDSM in residential dwellings, communities and municipal infrastructure in order to mitigate the risk of load shedding and supply interruptions   | 280 000               | -                 | -                 |
| <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)  | 750 000               | 800 000           | 800 000           |
| <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 networks  | 4 803 347             | 4 999 781         | 5 563 604         |
|  | (b) Rural Transport Services and Infrastructure 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  | 35 439                | 37 382            | 39 250            |
| <b>Water Affairs (Vote 38)</b>                                 | Municipal Drought Relief Grant                                      | To provide capital finance for construction of appropriate water infrastructure to alleviate further impacts of drought in Nelson Mandela Bay metropolitan municipality for affected households, micro enterprises and social institutions  | 450 000               | -                 | -                 |
| <b>TOTAL</b>   |   |   | <b>18 858 903</b>     | <b>20 902 738</b> | <b>22 297 035</b> |

**SCHEDULE 7**  
**ALLOCATIONS-IN-KIND TO PROVINCES FOR DESIGNATED SPECIAL PROGRAMMES**

| Vote                                 | Name of allocation                   | Purpose   | Province      | Column A              | Column B          |                  |
|--------------------------------------|--------------------------------------|---|---------------|-----------------------|-------------------|------------------|
|                                      |                                      |   |               | 2011/12<br>Allocation | Forward Estimates |                  |
|                                      |                                      |   |               |                       | 2012/13           | 2013/14          |
|                                      |                                      |   |               | R'000                 | R'000             | R'000            |
| <b>Basic Education<br/>(Vote 15)</b> | School Infrastructure Backlogs Grant | Eradication of inappropriate school infrastructure; and provision of water, sanitation and electricity to schools | Eastern Cape  | -                     | -                 | -                |
|                                      |                                      |   | Free State    | -                     | -                 | -                |
|                                      |                                      |   | Gauteng       | -                     | -                 | -                |
|                                      |                                      |   | KwaZulu-Natal | -                     | -                 | -                |
|                                      |                                      |   | Limpopo       | -                     | -                 | -                |
|                                      |                                      |   | Mpumalanga    | -                     | -                 | -                |
|                                      |                                      |   | Northern Cape | -                     | -                 | -                |
|                                      |                                      |   | North West    | -                     | -                 | -                |
|                                      |                                      |   | Western Cape  | -                     | -                 | -                |
|                                      |                                      |   | Unallocated   | 700 000               | 2 315 000         | 5 189 000        |
|                                      |                                      |   | <b>TOTAL</b>  | <b>700 000</b>        | <b>2 315 000</b>  | <b>5 189 000</b> |

## SCHEDULE 7

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

| Vote                               | Name of allocation  | Purpose  | Column A              | Column B          |                  |
|------------------------------------|---|--|-----------------------|-------------------|------------------|
|                                    |   |  | 2011/12<br>Allocation | Forward Estimates |                  |
|                                    |   |  |                       | 2012/13           | 2013/14          |
|                                    |   |  | 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)   | 100 000               | 80 000            | 55 000           |
| <b>Energy (Vote 29)</b>            | (a) Integrated National Electrification Programme (Eskom) Grant | To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply   | 1 737 812             | 1 882 057         | 1 985 570        |
|                                    | (b) Electricity Demand Side Management (Eskom) Grant            | To implement the Electricity Demand Side Management (EDSM) programme by providing subsidies to Eskom to address EDSM in residential dwellings and communities in order to mitigate the risk of load shedding and supply interruptions  | 118 800               | -                 | -                |
| <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  | 99 935                | -                 | -                |
|                                    | (b) Regional Bulk Infrastructure Grant                          | To develop regional bulk infrastructure for water supply to supplement water treatment works at resource development and link such water resource development with the local bulk and local distribution networks on a regional basis cutting across several local municipal boundaries. In the case of sanitation, to supplement regional bulk collection as well as regional waste water treatment works | 1 704 140             | 2 003 217         | 2 176 274        |
| <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  | 231 500               | 479 500           | 517 250          |
| <b>TOTAL</b>                       |   |  | <b>3 992 187</b>      | <b>4 444 774</b>  | <b>4 734 094</b> |

**SCHEDULE 8**

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

| Vote                             | Name of allocation   | Purpose   | Type of allocation                | Province      | Column A              | Column B          |                |
|----------------------------------|--|---|-----------------------------------|---------------|-----------------------|-------------------|----------------|
|                                  |  |   |                                   |               | 2011/12<br>Allocation | Forward Estimates |                |
|                                  |  |   |                                   |               |                       | 2012/13           | 2013/14        |
|                                  |  |   |                                   |               | R'000                 | R'000             | R'000          |
| <b>Public Works<br/>(Vote 7)</b> | Expanded Public Works Programme<br>Incentive Grant for Provinces | To incentivise provincial departments to increase job creation efforts in infrastructure, environment and culture programmes through the use of labour-intensive methods and the expansion of job creation in line with the Expanded Public Works Programme (EPWP) guidelines | Incentive allocation to provinces | Eastern Cape  | 30 431                | -                 | -              |
|                                  |  |   |                                   | Free State    | 10 606                | -                 | -              |
|                                  |  |   |                                   | Gauteng       | 44 210                | -                 | -              |
|                                  |  |   |                                   | KwaZulu-Natal | 129 836               | -                 | -              |
|                                  |  |   |                                   | Limpopo       | 9 545                 | -                 | -              |
|                                  |  |   |                                   | Mpumalanga    | 9 486                 | -                 | -              |
|                                  |  |   |                                   | Northern Cape | 4 810                 | -                 | -              |
|                                  |  |   |                                   | North West    | 5 758                 | -                 | -              |
|                                  |  |   |                                   | Western Cape  | 22 587                | -                 | -              |
|                                  |  |   |                                   | Unallocated   | -                     | 325 220           | 401 588        |
| <b>TOTAL</b>                     |  |   |                                   |               | <b>267 269</b>        | <b>325 220</b>    | <b>401 588</b> |

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

| Vote                             | Name of allocation  | Purpose   | Column A              | Column B          |                |
|----------------------------------|---|---|-----------------------|-------------------|----------------|
|                                  |   |   | 2011/12<br>Allocation | Forward Estimates |                |
|                                  |   |   |                       | 2012/13           | 2013/14        |
|                                  |   |   | R'000                 | R'000             | R'000          |
| <b>Public Works<br/>(Vote 7)</b> | Expanded Public Works Programme<br>Incentive Grant for Municipalities | To incentivise municipalities to increase job creation efforts in infrastructure, environment and culture programmes through the use of labour-intensive methods and the expansion of job creation in line with the Expanded Public Works Programme (EPWP) guidelines | 679 583               | 665 678           | 779 496        |
| <b>TOTAL</b>                     |   |   | <b>679 583</b>        | <b>665 678</b>    | <b>779 496</b> |

**SCHEDULE 9**

**UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE**

| Vote  | Name of allocation        | Purpose   | Province       | Column A              | Column B          |         |
|---|---------------------------|---|----------------|-----------------------|-------------------|---------|
|   |                           |   |                | 2011/12<br>Allocation | Forward Estimates |         |
|   |                           |   |                |                       | 2012/13           | 2013/14 |
| R'000   | R'000                     | R'000   |                |                       |                   |         |
| Cooperative Governance and Traditional Affairs (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    | 305 000               | 180 000           | 190 000 |
| <b>TOTAL</b>  | <b>305 000</b>            | <b>180 000</b>  | <b>190 000</b> |                       |                   |         |

**UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE**

| Vote  | Name of allocation       | Purpose   | Column A              | Column B          |                |
|---|--------------------------|---|-----------------------|-------------------|----------------|
|   |                          |   | 2011/12<br>Allocation | Forward Estimates |                |
|   |                          |   |                       | 2012/13           | 2013/14        |
| R'000   | R'000                    | R'000   |                       |                   |                |
| Cooperative Governance and Traditional Affairs (Vote 3) | Municipal Disaster Grant | To provide for the immediate release of funds for disaster response | 470 000               | 330 000           | 350 000        |
| <b>TOTAL</b>  |                          |   | <b>470 000</b>        | <b>330 000</b>    | <b>350 000</b> |