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THE PRESIDENCY

No. 264

31 March 2010

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

No. 1 of 2010: Division of Revenue Act, 2010.



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

*(English text signed by the President.)
(Assented to 31 March 2010.)*

ACT

To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2010/11 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,

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

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CHAPTER 1

INTERPRETATION AND OBJECTS OF ACT

Interpretation

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

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

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

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

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

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

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

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

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

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

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

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

- “payment schedule”** means a schedule which sets out—
- (a) the amount of each transfer of an equitable share or any conditional allocation in terms of this Act to be transferred to a province or municipality in the financial year;
 - (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 or 8 allocation transferred to a province, means the accounting officer of the provincial department which receives that allocation or a portion thereof for spending via an appropriation from its Provincial Revenue Fund; or 25
 - (b) in relation to a Schedule 4, 6, 7 or 8 allocation transferred to or provided in kind to a municipality, means the accounting officer of the municipality;
- “this Act”** includes any framework or allocation published, or any regulation, 30
determination or request made or instruction given under this Act;
- “transferring national officer”** means the accounting officer of a national department that transfers a Schedule 4, 5, 6 or 8 allocation to a province or municipality or spends a Schedule 7 allocation on behalf of a municipality.
- (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 better co-ordination between policy, planning, budget preparation and execution processes between and within the different spheres of government; 40
 - (c) promote predictability and certainty in respect of all allocations to provinces and municipalities, in order that such governments may plan their budgets over a multi-year period; 45
 - (d) promote transparency and equity in the resource allocation process; and
 - (e) promote accountability 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. 50

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 2012/13 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 2012/13 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 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 2012/13 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 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 2010, 30 November 2010 and 25 March 2011, 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; 45

(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; and
- (c) authorise expenditure in accordance with section 25.

CHAPTER 3

CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES 5

Part 1

Conditional allocations

Conditional allocations to provinces

7. (1) Conditional allocations to provinces in respect of the financial year from the national government's share of revenue raised nationally are set out in Column A of the following Schedules: 10

- (a) Schedule 4, specifying allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets;
- (b) Schedule 5, specifying specific-purpose allocations to provinces; and
- (c) Schedule 8, specifying incentives to provinces to meet targets with regards to priority government programmes. 15

(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 2012/13 financial year, which is subject to the annual Division of Revenue Acts in respect of those financial years, is set out in Column B of the Schedules referred to in subsection (1). 20

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: 25

- (a) Schedule 4, specifying allocations to municipalities to supplement the funding of functions funded from municipal budgets;
- (b) Schedule 6, specifying specific-purpose allocations to municipalities;
- (c) Schedule 7, specifying allocations-in-kind to municipalities for designated special programmes; and 30
- (d) Schedule 8, specifying incentives to municipalities to meet targets with regards to priority government programmes.

(2) An envisaged division of conditional allocations to local government from the national government's share of revenue anticipated to be raised nationally for the next financial year and the 2012/13 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, is set out in Column B of the Schedules referred to in subsection (1). 35

(3) The National Treasury must publish the share or indicative allocation of each municipality in respect of the local government allocations contemplated in subsections (1) and (2) in the *Gazette* in terms of section 14. 40

(4) Notwithstanding anything to the contrary contained in 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 2012/13 financial year that will not be altered downwards in the Division of Revenue Acts in respect of those financial years. 45

(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 2012/13 50

financial year, for the purpose of securing a loan or any other form of financial or other support from that person or institution.

Part 2

Duties of accounting officers in respect of Schedule 4, 5, 6, 7 or 8 allocations

Duties of transferring national officer in respect of Schedule 4 allocation 5

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
 - (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; 10
- (b) monitoring expenditure and non-financial performance information on programmes funded by an allocation, provided that any monitoring programme or system— 15
 - (i) is approved by the National Treasury;
 - (ii) does not impose any undue administrative burden on receiving provinces and municipalities beyond the provision of standard management information;
 - (iii) is compatible and integrated with and does not duplicate other relevant and related national, provincial and local systems; and 20
 - (iv) is consistent with section 11(2);
- (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. 25

(2) (a) Subsection (1)(b) does not apply to the Municipal Infrastructure Grant (Cities).

(b) Municipalities that receive the Municipal Infrastructure Grant (Cities) are only required to report expenditure and non-financial performance information against their capital budgets, in accordance with the requirements of section 71 of the Municipal Finance Management Act. 30

Duties of transferring national officer in respect of Schedule 5, 6, 7 or 8 allocation

10. (1) A transferring national officer must—

- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that— 35
 - (i) allocation frameworks, including conditions and monitoring provisions, are reasonable and do not impose an undue administrative burden on receiving provincial departments and municipalities beyond the provision of standard management information; 40
 - (ii) monitoring provisions are compatible and integrated with and do not duplicate other relevant and related national, provincial and local systems;
 - (iii) in respect of a Schedule 5 allocation, any business plans requested in respect of how allocations will be utilised by a province, have been approved prior to the start of the financial year; 45
 - (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;
 - (c) transfer funds only in accordance with a payment schedule determined in accordance with section 21; 5
 - (d) deposit funds only into the primary bank account of a province or municipality, or, where appropriate, into the corporation for public deposits account of a province or the bank account designated for the transfer of the Gautrain Rapid Rail Link Grant; and
 - (e) ensure that all other arrangements or requirements as stipulated in the 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. 10
- (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. 15
- (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. 20
- (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— 25
- (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; 30
 - (c) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 or 6 allocation; 35
 - (d) the actual expenditure incurred by the transferring national officer in respect of a Schedule 7 allocation;
 - (e) any matter or information that may be prescribed in the relevant framework for the particular allocation; and
 - (f) such other issues as the National Treasury may determine. 40
- (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.
- (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. 45
- (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 for each accredited municipality by 14 April 2010, and submit those allocations to the National Treasury by 30 April 2010, for publication in the *Gazette*. 50

Duties of receiving officer in respect of Schedule 4 allocation

11. (1) A receiving officer of a Schedule 4 allocation is responsible for—
- (a) complying with the framework for a Schedule 4 allocation as published in terms of section 14; and 55
 - (b) the manner in which it allocates and spends a Schedule 4 allocation.
- (2) The receiving officer of a municipality must—
- (a) ensure and certify to the National Treasury that the municipality—

- (i) indicates or, if required, exclusively appropriates each programme funded or partially funded by this allocation in its annual budget; and
 - (ii) makes public, in accordance with the requirements of section 21A of the Municipal Systems Act, the conditions and other information in respect of the allocation, to facilitate performance measurement and the use of required inputs and outputs; 5
- (b) as part of the report required in terms of section 71 of the Municipal Finance Management Act, 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 Municipal Infrastructure Grant (Cities); and 10
 - (ii) in the case of the Municipal Infrastructure Grant (Cities), 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 allocation framework; and 15
- (c) quarterly, 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 allocations other than the Municipal Infrastructure Grant (Cities); and 20
 - (ii) performance for that quarter against the targets stipulated in the infrastructure performance framework that is required in terms of the allocation framework, in respect of the Municipal Infrastructure Grant (Cities). 25
- (3) The National Treasury must make the report submitted to it in terms of section 11(2)(b) or (c) available to any other national departments that have responsibilities relating to the grant.
- (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 30
 - (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 the annual financial statements and annual report. 35
- (6) 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. 40

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

- 12.** (1) The receiving officer of a Schedule 5, 6 or 8 allocation must ensure compliance with the requirements of the relevant framework. 45
- (2) The relevant receiving officer must, in respect of a Schedule 5, 6 or 8 allocation transferred to—
- (a) a province, as part of the report required in section 40(4)(c) of the Public Finance Management Act, report on the matters referred to in subsection (3) and submit a copy of the section 40(4)(c) report to the relevant provincial treasury and the transferring national officer; 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—
- (a) the amount received by the province;
 - (b) the amount of funds stopped or withheld from the province;
 - (c) the actual expenditure by the province in respect of a Schedule 5 allocation; 5
 - (d) the amount transferred to any national or provincial public entity to implement a programme funded by a Schedule 5 allocation on behalf of a province or to assist the province in implementing such a programme;
 - (e) the most up to date available figures regarding the actual expenditure by a public entity referred to in paragraph (d); 10
 - (f) the extent of compliance with this Act and with the conditions of an allocation provided for in a framework;
 - (g) an explanation of any material problems experienced by the province regarding an allocation which has been received and a summary of the steps taken to deal with such problems; 15
 - (h) any matter or information that may be prescribed in the relevant framework for the particular allocation; and
 - (i) such other issues and information as the National Treasury may determine.
- (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— 20
- (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; 25
 - (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. 30
- (5) (a) Subsections (2) and (3) do not apply to the receiving officer of the Gautrain Rapid Rail Link Grant.
- (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. 35
- (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) The receiving officer of the 2010 FIFA World Cup Stadiums Development Grant must, in addition to what is provided in subsection (2)— 40
- (a) submit a final report on the stadium construction programme, including all expenditure and a reconciliation of those bank accounts that were used for the stadium construction programme; and
 - (b) attach to the report contemplated in that subsection copies of payment certificates issued in terms of the construction contract entered into by the municipality which comply with the requirements of the Municipal Finance Management Act. 45
- (7) 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. 50

Duties in respect of annual financial statements and annual reports for 2010/11

- 13.** (1) The 2010/11 financial statements of a national department transferring any funds in respect of an allocation set out in Schedule 4, 5, 6 or 8 must, in addition to any requirements in terms of any other applicable law—
- (a) indicate the total amount of that allocation transferred to a province or municipality; 5
 - (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; 10
 - (d) certify that all transfers to a province or municipality were deposited into the primary bank account of a province or municipality or, where appropriate, into the corporation for public deposits account of a province; and
 - (e) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer. 15
- (2) The 2010/11 annual report of a national department transferring any funds in respect of an allocation set out in Schedule 4, 5, 6 or 8 must, in addition to any requirements in terms of any other applicable law—
- (a) indicate the reasons for the withholding of any transfers to a province or municipality; 20
 - (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;
 - (c) indicate to what extent the allocation achieved its purpose and outputs; and 25
 - (d) indicate any non-compliance with this Act or the relevant framework, and the steps taken to deal with such non-compliance.
- (3) The 2010/11 financial statements of a provincial department receiving an allocation in terms of Schedule 4, 5 or 8 must, in addition to any requirements in terms of any other applicable law— 30
- (a) indicate the total amount of all allocations received;
 - (b) indicate the total amount of actual expenditure on all allocations except Schedule 4 allocations; and
 - (c) certify that all transfers in terms of this Act to the province were deposited into the primary bank account of the province or, where appropriate, into the corporation for public deposits account of a province. 35
- (4) The 2010/11 annual report of a provincial department receiving an allocation in terms of Schedule 4, 5 or 8 must, in addition to any requirements in terms of any other applicable law—
- (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; 40
 - (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; 45
 - (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
 - (e) contain such other information as the National Treasury may determine. 50
- (5) The 2010/11 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. 55

Part 3**General matters relating to Schedule 4, 5, 6, 7 or 8 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 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 Schedule 4, 5, 6, 7 or 8 allocation.
- (2) The National Treasury must publish in the *Gazette*—
- (a) any revisions of or amendments to the frameworks published in terms of subsection (1); 15
 - (b) any virement which is made in accordance with the requirements of section 6(3) of this Act 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 a Schedule 6 or a Schedule 7 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 allocations; 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*. 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 Schedule 4, 5, 6, 7 or 8 may only be utilised for the purpose stipulated in the Schedule concerned and in accordance with the framework published in terms of section 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 50
 - (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 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

(4) In respect of the Human Settlements Development Grant, a receiving officer and an accredited municipality must, by 31 May 2010, comply with the requirements of subsection (2), by—

- (a) entering into a payment schedule; and
- (b) submitting the payment schedule to the National Treasury for approval. 10

(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 an accredited municipality has been withheld or stopped in terms of section 16 or 17.

Withholding of allocation 15

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—

- (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; 20
- (b) roll-overs of conditional allocations approved by the National Treasury in accordance with section 20 have not been spent; or
- (c) expenditure on previous transfers during the financial year reflects significant under-spending, for which no satisfactory explanation is given. 25

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

(3) A transferring national officer must, seven working days or such shorter period as may be approved by the National Treasury, prior to withholding an allocation in terms of subsection (1)— 30

- (a) give the relevant receiving officer—
 - (i) written notice of the intention to withhold the allocation; and
 - (ii) an opportunity to submit written representations, within those seven days or that shorter period, as to why the allocation should not be withheld; and 35
- (b) inform the relevant provincial treasury and the National Treasury.

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

(5) (a) The National Treasury may, when a transferring national officer is withholding an allocation in terms of subsection (1), instruct, or approve a request from, that transferring national officer to withhold an allocation for a period longer than 30 days, but not exceeding 120 days, if the withholding will— 40

- (i) facilitate compliance with this Act or the conditions to which the allocation is subject; or
- (ii) minimise the risk of under-spending. 45

(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 issues an instruction or approves a request in terms of paragraph (a). 50

(6) (a) In respect of the Human Settlements Development Grant, a receiving officer may, in consultation with the transferring national officer, the relevant provincial

treasury and the National Treasury, withhold a transfer to an accredited municipality, if the conditions set out in subsection (1) exist.

(b) A receiving officer, prior to withholding a transfer to an accredited municipality, must comply with the notice requirements stipulated in subsections (3) and (4).

(c) A receiving officer may request the transferring national officer to seek the approval of the National Treasury that a transfer to an accredited municipality be withheld for a period longer than 30 days, in terms of subsection (5). 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 in the case of the Human Settlements Development Grant, 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) the provisions of this Act; or
 - (ii) a condition to which the allocation, as provided for in the relevant framework, is subject; or 15
- (b) if the National Treasury anticipates that a province or municipality will substantially under-spend on that programme or allocation in the financial year.

(2) The National Treasury must, when stopping an allocation in terms of this section— 20

- (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
- (b) inform the relevant provincial treasury of its intention to stop the allocation. 25

(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.

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 re-allocated, 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. 35 40

(b) The re-allocation 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; 50
- (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 55

- (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. 5

Conversion of Schedule 6 and Schedule 7 allocations

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. 10

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

(3) A conversion referred to in subsection (1) takes effect on the date of publication referred to in section 14(2)(c). 15

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

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. 20 25

(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 30
- (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. 35

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

- (a) in the case of a province, against future conditional grant allocations to that province; and 40
- (b) in the case of a municipality, against future 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— 45

- (a) written notice of the intention to set-off amounts against upcoming allocations; and
- (b) an opportunity, within 14 days of receipt of the notice referred to in paragraph (a), to— 50
- (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;

(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. 5

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

(7) Despite anything else contained within 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. 10

CHAPTER 4

MATTERS RELATING TO ALL ALLOCATIONS

Payment schedule 15

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.

(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. 20

(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. 25

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

(2) (a) The National Treasury determines the payment schedule for the transfer of a municipality’s equitable share allocation, after consultation with the accounting officer of the national department responsible for local government. 30

(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 it which has not yet fallen due for transfer in accordance with the payment schedule, be advanced to a municipality. 35

(c) Any advances in terms of paragraph (b) must be set-off against transfers to the municipality which would otherwise become due in terms of the applicable payment schedule. 40

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

(b) The transferring national officer of a Schedule 4, 5, 6 or 8 allocation must submit a payment schedule to the National Treasury for approval before 14 April 2010. 45

(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— 50

(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
 (bb) reflects the portion of any payments due under the agreement referred to in item (aa) payable from the allocation; and
 (iii) in relation to a Schedule 5 or 6 allocation, consult the relevant province or municipality. 5
 (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.

Amendment of payment schedule 10

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. 15
 (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 Schedule 2, 3, 4, 5 or 6 on notification to—
 (a) the accounting officer of a provincial treasury, in the case of a provincial allocation; and 20
 (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— 25
 (a) the monthly spending commitments of provinces or municipalities;
 (b) the revenue at the disposal of provinces or municipalities; and
 (c) the minimisation of risk and debt servicing costs for all three spheres of government.
 (4) An amendment of a payment schedule in terms of subsection (2) prevails over any amendment made in terms of subsection (1). 30
 (5) The transferring national officer must immediately inform the receiving officer of any amendment to a payment schedule in accordance with subsection (1) or (2).

Transfers made in error or fraudulently

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. 35
 (2) A transfer contemplated in subsection (1) must be recovered, without delay, by the responsible transferring national officer.
 (3) Despite subsection (2), the National Treasury may instruct that the recovery contemplated in subsection (2) be effected by set-off against future transfers to the province, municipality or public entity, which would otherwise become due in accordance with a payment schedule. 40

Allocations not listed in Schedules

24. (1) An allocation, other than— 45
 (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, may only be made in terms of section 6(3). 50
 (2) The National Treasury must publish the allocations and frameworks for such allocations in the *Gazette*, prior to the transfer of any funds to a province or municipality.

Authorisation of expenditure

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

- (a) the Minister may, in accordance with section 16 of the Public Finance Management Act and subject to conditions, make an allocation to a province or municipality from the National Revenue Fund; and 5
- (b) the MEC for Finance in a province may, in accordance with section 25 of the Public Finance Management Act and subject to conditions, make an allocation to a municipality from the Provincial Revenue Fund. 10

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

(3) In addition to what is provided in subsection (1), and despite any contrary provision contained in any law, the Minister may approve expenditure qualifying for inclusion in an adjustments budget in terms of section 30(2) of the Public Finance Management Act before such an adjustments budget is passed. 15

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

- (a) may not exceed the total amount set aside as a contingency reserve in the national annual budget for the current financial year; 20
- (b) is a direct charge against the National Revenue Fund; and
- (c) must be included either in the next national adjustments budget or in other appropriation legislation tabled in the National Assembly for the financial year in which the expenditure is authorised.

(5) An approval granted by the Minister in respect of money to be appropriated for expenditure already announced by the Minister during the tabling of the annual budget, may be made subject to conditions. 25

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

Preparations for next financial year and 2012/13 financial year

26. (1) (a) A provincial department responsible for implementing the Infrastructure Grant to Provinces must, by a date determined by the provincial treasury, submit detailed infrastructure plans in a format determined by the National Treasury, to the provincial treasury, and the provincial treasury must submit the infrastructure plans to the National Treasury by 31 August 2010. 30

(b) The infrastructure plans must indicate the prioritised projects to be funded from the allocations for the next financial year and the 2012/13 financial year, as set out in Column B of Schedule 4. 35

(c) The provincial treasury must—

- (i) review the infrastructure plans of all receiving officers, and must assess the extent to which those plans are aligned to the Integrated Development Plan of each affected municipality, and submit the integrated plans to the National Treasury by 27 August 2010, together with the provincial budget submission; 40
- (ii) ensure that the infrastructure budgets of the receiving departments include an allocation for project design and the initiation of procurement for projects to be implemented in the next financial year and the 2012/13 financial year, and that infrastructure budgets are aligned with the cash flow requirements of the planned projects in a given year; and 45
- (iii) ensure that the infrastructure budgets of the receiving departments make adequate provision for operations and maintenance associated with newly constructed or upgraded infrastructure. 50

(2) (a) A category C municipality that receives an equitable share, a conditional allocation, or both, in terms of this Act must, using the envisaged conditional allocations to that municipality for the next financial year and the 2012/13 financial year as set out in Column B of the Schedules, by 1 October 2010—

- (i) agree on the provisional allocations and the projects to be funded from those allocations in the next financial year and the 2012/13 financial year with each 55

- category B municipality within the category C municipality's area of jurisdiction; and
- (ii) submit to the transferring national officer—
- (aa) the provisional allocations referred to in subparagraph (i); and
- (bb) the prioritised projects contemplated in subparagraph (i) listed per municipality to be funded from the allocations for the next financial year and the 2012/13 financial year. 5
- (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. 10
- (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 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 the submission of the allocations referred to in paragraph (a)(ii). 15
- (e) Should agreement not be reached between the category C municipality and the category B municipality on the provisional allocations and projects referred to in paragraph (a) prior to 1 October 2010, the National Treasury may proceed to determine the provisional allocations and provide those provisional allocations to the municipalities concerned and the transferring national officer. 20
- (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 2010. 25
- (ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 7 December 2010, the National Treasury may determine the appropriate allocations, taking into consideration the envisaged allocations for the next financial year.
- (3) (a) The transferring national officer of a conditional allocation, using the envisaged conditional allocations for the next financial year and the 2012/13 financial year as set out in Column B of the Schedules to this Act, must, by 1 October 2010, submit to the National Treasury for approval— 30
- (i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the next financial year; 35
- (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. 40
- (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).
- (c) The National Treasury may, if the transferring national officer fails to comply with paragraph (a) by 1 October 2010, determine— 45
- (i) the provisional allocations referred to in paragraph (a)(i);
- (ii) any amendments to the envisaged allocations referred to in paragraph (a)(ii); and
- (iii) the draft frameworks for the allocations referred to in paragraph (a)(iii), 50
- 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 2010.
- (ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 7 December 2010, the National Treasury may determine the appropriate allocations, taking into consideration the envisaged allocations for the next financial year. 55
- (4) The National Treasury may, in preparation for the next financial year, instruct transferring national officers, receiving officers and municipalities to submit to it such 60

plans and information for any conditional allocation as it may determine at specified times prior to the start of the next financial year.

Expenditure prior to commencement of Division of Revenue Act, 2011

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 2011, 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 10

Duties of municipalities

28. (1) (a) In addition to the requirements of the Municipal Finance Management Act, the accounting officer of a category C municipality must, no later than 14 April 2010, 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 2010/11 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— 30

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

(b) a service delivery agreement for the provision of services by the category B municipality on behalf of the category C municipality has not been concluded. 35

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

(a) entering into a service delivery agreement with the category C municipality which is authorised to perform the function in terms of the Municipal Structures Act; or 40

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

(5) (a) A category C municipality and a category B municipality must, before the commencement of a municipal financial year, agree to a payment schedule in respect of the allocations referred to in subsection (1)(b) to be transferred to the category B municipality in that financial year, and the category C municipality must submit the payment schedule to the National Treasury. 45

(b) A category C municipality must make transfers in accordance with the payment schedule submitted in terms of paragraph (a). 50

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

- (i) make allocations referred to in subsection (1)(b);
- (ii) reach an agreement contemplated in subsection (2); or
- (iii) submit a payment schedule in accordance with subsection (5)(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 addition to the requirements of the Municipal Finance Management Act, the disposal by a municipality of a stadium that was built or upgraded with funding allocated in terms of the FIFA World Cup Stadiums Development Grant is subject to the approval of the transferring national officer for the FIFA World Cup Stadiums Development Grant and the National Treasury. 20

(9) In respect of the Human Settlements Development Grant, the financial and non-financial reporting that is required to be submitted by the accredited municipality in terms of the grant framework must relate to the requirements specified in the grant framework.

(10) An accredited municipality must submit the required monthly financial and quarterly performance reports to the receiving officer, the transferring national officer and the National Treasury. 25

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. 30

(2) (a) The provincial treasury must, on the same day that its budget is tabled in the provincial legislature, or a later date approved by the National Treasury, but not later than 14 April 2010, 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; 35
- (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; 40
- (iv) the envisaged division of the allocation contemplated in subparagraphs (i) to (iii), in respect of each municipality and school, for the next financial year and the 2012/13 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 45
- (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 50

allocations must align to the appropriation Bill as passed by the legislature, and which must be deemed to be final.

(3) (a) Despite anything to the contrary contained in any law, a provincial treasury may, in accordance with a framework determined by the National Treasury, amend the allocations referred to in subsection (2) or make additional allocations to municipalities that were not published in terms of subsection (1) or (2). 5

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

(c) The provisions of subsection (2), with the necessary changes, apply in respect of allocations referred to in paragraph (b). 10

(4) Where a function for which a province receives a Schedule 5 allocation is assigned to a municipality during a financial year and the province has not appropriated funds to that municipality for the performance of that function, the province must transfer the allocation to the municipality in terms of section 226(3) of the Constitution as a direct charge against that province's Revenue Fund and must inform the National Treasury of the transfer. 15

(5) (a) A provincial treasury must, as part of its consolidated monthly report in terms of section 32 of the Public Finance Management Act, in the format determined by the National Treasury, report on— 20

- (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. 25

(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.

(6) A provincial treasury must—

- (a) ensure— 30
 - (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 in accordance therewith; and
- (b) submit the payment schedules to the National Treasury within 14 days of the commencement of the financial year. 35

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.

(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. 40

(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. 45

CHAPTER 6

GENERAL

Allocations by public entities to provinces or municipalities 50

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 each such grant, sponsorship or donation received.

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. 5

(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. 10

(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).

Unauthorised and irregular expenditure 15

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

- (a) a transfer prohibited in terms of section 15(2) of this Act; or
- (b) a transfer by a transferring national officer to a bank account of a province or municipality that is not— 20
 - (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). 25

(2) Any transfer made or spending of an allocation in contravention of this Act or a framework published in terms of this Act, constitutes irregular expenditure in terms of the Public Finance Management Act and the Municipal Finance Management Act. 30

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, and in particular, any non-compliance with section 26, constitutes financial misconduct. 35

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

Delegations and assignments 40

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— 45

- (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

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DIVISION OF REVENUE ACT, 2010

(c) does not divest the National Treasury of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty.

(3) The Minister may 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.

5

Exemptions

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*.

10

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.

15

Repeal of laws

38. (1) Subject to subsection (2), the Division of Revenue Act, 2009 (Act No. 12 of 2009), with the exception of sections 33 and 47, is hereby repealed.

20

(2) The repeal of the Division of Revenue Act, 2009 (Act No. 12 of 2009), does not affect any duty or obligation set out in that Act, the execution of which is still outstanding.

Short title and commencement

39. This Act is called the Division of Revenue Act, 2010, and takes effect on 1 April 2010 or the date of publication thereof by the President in the *Gazette*, whichever is the later date.

25

SCHEDULE 1

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

| Spheres of Government | Column A | Column B | |
|-------------------------|--------------------|--------------------|--------------------|
| | 2010/11 Allocation | Forward Estimates | |
| | | 2011/12 | 2012/13 |
| | R'000 | R'000 | R'000 |
| National ^{1,2} | 527 001 492 | 573 709 007 | 632 299 464 |
| Provincial | 260 973 745 | 280 688 678 | 294 779 975 |
| Local | 30 167 706 | 33 939 901 | 37 234 396 |
| TOTAL | 818 142 943 | 888 337 586 | 964 313 835 |

- National share includes conditional allocations to provincial and local spheres, general fuel levy sharing with metropolitan municipalities, debt service cost and the contingency reserve.*
- 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 | |
|---------------|--------------------|--------------------|--------------------|
| | 2010/11 Allocation | Forward Estimates | |
| | | 2011/12 | 2012/13 |
| | R'000 | R'000 | R'000 |
| Eastern Cape | 40 134 424 | 42 856 005 | 44 693 156 |
| Free State | 15 959 310 | 17 054 636 | 17 787 796 |
| Gauteng | 45 134 335 | 48 791 833 | 51 459 021 |
| KwaZulu-Natal | 56 742 834 | 61 358 875 | 64 761 099 |
| Limpopo | 33 237 814 | 35 397 976 | 36 820 351 |
| Mpumalanga | 21 323 198 | 22 864 675 | 23 943 495 |
| Northern Cape | 7 101 615 | 7 556 611 | 7 962 754 |
| North West | 17 314 124 | 18 680 341 | 19 681 857 |
| Western Cape | 24 026 091 | 26 127 726 | 27 670 446 |
| TOTAL | 260 973 745 | 280 688 678 | 294 779 975 |

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 | |
| | | 2010/11 Allocation | Forward Estimates | |
| | | 2011/12 | 2012/13 | |
| | | R'000 | R'000 | R'000 |
| EASTERN CAPE | | | | |
| A | NMA Nelson Mandela Bay | 602 883 | 686 623 | 759 738 |
| B | EC101 Camdeboo | 29 339 | 33 081 | 36 392 |
| B | EC102 Blue Crane Route | 31 051 | 35 012 | 38 515 |
| B | EC103 Ikwezi | 11 553 | 13 010 | 14 297 |
| B | EC104 Makana | 53 620 | 60 557 | 66 657 |
| B | EC105 Ndlambe | 43 896 | 49 614 | 54 629 |
| B | EC106 Sunday's River Valley | 25 710 | 28 959 | 31 837 |
| B | EC107 Baviaans | 12 094 | 13 619 | 14 969 |
| B | EC108 Kouga | 34 882 | 39 829 | 44 020 |
| B | EC109 Kou-Kamma | 22 754 | 25 642 | 28 202 |
| C | DC10 Cacadu District Municipality | 69 387 | 73 487 | 77 298 |
| Total: Cacadu Municipalities | | 334 287 | 372 811 | 406 817 |
| B | EC121 Mbhashe | 77 759 | 87 555 | 96 241 |
| B | EC122 Mquma | 112 592 | 126 838 | 139 485 |
| B | EC123 Great Kei | 24 084 | 27 121 | 29 826 |
| B | EC124 Amahlathi | 69 462 | 78 216 | 86 017 |
| B | EC125 Buffalo City | 508 895 | 583 459 | 643 912 |
| B | EC126 Ngqushwa | 47 261 | 53 215 | 58 522 |
| B | EC127 Nkonkobe | 72 656 | 81 821 | 89 988 |
| B | EC128 Nxuba | 16 259 | 18 314 | 20 141 |
| C | DC12 Amatole District Municipality | 481 040 | 516 050 | 565 555 |
| Total: Amatole Municipalities | | 1 410 008 | 1 572 589 | 1 729 686 |
| B | EC131 Inxuba Yethemba | 32 832 | 37 003 | 40 712 |
| B | EC132 Tsolwana | 19 031 | 21 409 | 23 526 |
| B | EC133 Inkwanca | 13 503 | 15 201 | 16 709 |
| B | EC134 Lukhanji | 86 908 | 97 879 | 107 646 |
| B | EC135 Intsika Yethu | 69 276 | 77 962 | 85 679 |
| B | EC136 Emalahleni | 51 330 | 57 778 | 63 510 |
| B | EC137 Engcobo | 46 997 | 52 915 | 58 166 |
| B | EC138 Sakhisizwe | 27 217 | 30 659 | 33 721 |
| C | DC13 Chris Hani District Municipality | 281 530 | 316 327 | 347 648 |
| Total: Chris Hani Municipalities | | 628 623 | 707 132 | 777 317 |
| B | EC141 Elundini | 50 021 | 56 309 | 61 879 |
| B | EC142 Senqu | 66 493 | 74 893 | 82 378 |
| B | EC143 Maletswai | 17 620 | 19 842 | 21 814 |
| B | EC144 Gariiep | 19 221 | 21 663 | 23 832 |
| C | DC14 Ukhahlamba District Municipality | 125 943 | 141 618 | 155 629 |
| Total: Ukhahlamba Municipalities | | 279 299 | 314 324 | 345 532 |
| B | EC151 Mbizana | 75 758 | 85 262 | 93 698 |
| B | EC152 Ntabankulu | 41 957 | 47 220 | 51 884 |
| B | EC153 Ngquza Hill | 73 505 | 82 747 | 90 938 |
| B | EC154 Port St Johns | 44 714 | 50 321 | 55 292 |
| B | EC155 Nyandeni | 88 682 | 99 862 | 109 800 |
| B | EC156 Mhlontlo | 67 972 | 76 537 | 84 145 |
| B | EC157 King Sabata Dalindyebo | 127 858 | 144 365 | 159 022 |
| C | DC15 O.R.Tambo District Municipality | 406 208 | 456 876 | 502 252 |
| Total: O.R.Tambo Municipalities | | 926 655 | 1 043 190 | 1 147 030 |
| B | EC442 Umzimvubu | 71 442 | 80 440 | 88 427 |
| B | EC441 Matatiele | 71 817 | 80 870 | 88 896 |
| C | DC44 Alfred Nzo District Municipality | 125 171 | 140 777 | 154 706 |
| Total: Alfred Nzo Municipalities | | 268 431 | 302 088 | 332 029 |
| Total: Eastern Cape Municipalities | | 4 450 185 | 4 998 756 | 5 498 148 |

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 | | |
|---|---|-------------------------|-------------------|------------------|
| | | 2010/11 Allocation | Column B | |
| | | | Forward Estimates | |
| | | 2011/12 | 2012/13 | |
| | | R'000 | R'000 | R'000 |
| FREE STATE | | | | |
| B | FS161 Letsemeng | 40 637 | 45 817 | 50 407 |
| B | FS162 Kopanong | 72 760 | 82 060 | 90 301 |
| B | FS163 Mohokare | 40 862 | 46 076 | 50 691 |
| C | DC16 Xhariep District Municipality | 13 372 | 14 528 | 15 565 |
| Total: Xhariep Municipalities | | 167 631 | 188 481 | 206 964 |
| B | FS171 Naledi | 29 882 | 33 691 | 37 064 |
| B | FS172 Mangaung | 494 273 | 565 491 | 624 239 |
| B | FS173 Mantsopa | 53 916 | 60 809 | 66 908 |
| C | DC17 Motheo District Municipality | 152 312 | 157 537 | 144 936 |
| Total: Motheo Municipalities | | 730 383 | 817 527 | 873 146 |
| B | FS181 Masilonyana | 66 189 | 74 634 | 82 113 |
| B | FS182 Tokologo | 34 525 | 38 912 | 42 800 |
| B | FS183 Tswelopele | 48 822 | 55 048 | 60 561 |
| B | FS184 Matjhabeng | 358 900 | 406 057 | 447 544 |
| B | FS185 Nala | 111 999 | 126 326 | 139 012 |
| C | DC18 Lejweleputswa District Municipality | 90 922 | 96 169 | 101 063 |
| Total: Lejweleputswa Municipalities | | 711 356 | 797 146 | 873 093 |
| B | FS191 Setsoto | 133 874 | 151 000 | 166 160 |
| B | FS192 Dihlabeng | 103 057 | 116 494 | 128 277 |
| B | FS193 Nketoana | 62 145 | 70 092 | 77 121 |
| B | FS194 Maluti a Phofung | 267 069 | 301 604 | 332 128 |
| B | FS195 Phumelela | 44 238 | 49 871 | 54 858 |
| C | DC19 Thabo Mofutsanyana District Municipality | 59 868 | 64 177 | 68 114 |
| Total: Thabo Mofutsanyana Municipalities | | 670 251 | 753 237 | 826 659 |
| B | FS201 Moqhaka | 135 789 | 153 130 | 168 490 |
| B | FS203 Ngwathe | 126 766 | 142 969 | 157 312 |
| B | FS204 Metsimaholo | 79 048 | 89 636 | 98 891 |
| B | FS205 Mafube | 61 766 | 69 644 | 76 618 |
| C | DC20 Fezile Dabi District Municipality | 122 988 | 128 476 | 133 751 |
| Total: Fezile Dabi Municipalities | | 526 357 | 583 856 | 635 062 |
| Total: Free State Municipalities | | 2 805 978 | 3 140 248 | 3 414 925 |

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 | |
| | | 2010/11 Allocation | Forward Estimates | |
| | | 2011/12 | 2012/13 | |
| | | R'000 | R'000 | R'000 |
| GAUTENG | | | | |
| A | EKU Ekurhuleni | 1 471 409 | 1 677 189 | 1 856 224 |
| A | JHB City of Johannesburg | 1 704 648 | 1 969 607 | 2 203 924 |
| A | TSH City of Tshwane | 717 978 | 827 506 | 921 982 |
| Total: Metsweding Municipalities | | | | |
| | | 119 846 | 134 299 | 146 876 |
| B | GT461 Nokeng tsa Taemane | 28 495 | 32 249 | 35 538 |
| B | GT462 Kungwini | 65 336 | 74 383 | 82 150 |
| C | DC46 Metsweding District Municipality | 26 015 | 27 667 | 29 188 |
| Total: Sedibeng Municipalities | | | | |
| | | 797 577 | 884 164 | 961 105 |
| B | GT421 Emfuleni | 498 815 | 564 602 | 622 584 |
| B | GT422 Midvaal | 37 448 | 42 593 | 47 026 |
| B | GT423 Lesedi | 48 093 | 54 400 | 59 922 |
| C | DC42 Sedibeng District Municipality | 213 221 | 222 569 | 231 574 |
| Total: West Rand Municipalities | | | | |
| | | 633 739 | 704 373 | 767 315 |
| Total: Gauteng Municipalities | | | | |
| | | 5 445 197 | 6 197 137 | 6 857 427 |

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 | | |
|--|--|-------------------------|-------------------|----------------|
| | | 2010/11 Allocation | Column B | |
| | | | Forward Estimates | |
| | | 2011/12 | 2012/13 | |
| | | R'000 | R'000 | R'000 |
| KWAZULU-NATAL | | | | |
| A | ETH eThekweni | 1 414 534 | 1 631 503 | 1 787 032 |
| B | KZN211 Vulamehlo | 24 501 | 27 573 | 30 296 |
| B | KZN212 uMdoni | 20 802 | 23 487 | 25 849 |
| B | KZN213 Umzumbe | 60 966 | 68 625 | 75 428 |
| B | KZN214 uMuziwabantu | 30 377 | 34 213 | 37 616 |
| B | KZN215 Ezinqolweni | 18 112 | 20 395 | 22 425 |
| B | KZN216 Hibiscus Coast | 70 295 | 79 826 | 88 144 |
| C | DC21 Ugu District Municipality | 199 841 | 224 181 | 246 271 |
| Total: Ugu Municipalities | | 424 894 | 478 301 | 526 029 |
| B | KZN221 uMshwathi | 41 165 | 46 346 | 50 962 |
| B | KZN222 uMngeni | 26 617 | 30 313 | 33 486 |
| B | KZN223 Mpofana | 16 695 | 18 813 | 20 696 |
| B | KZN224 Impendle | 16 386 | 18 443 | 20 274 |
| B | KZN225 Msunduzi | 267 211 | 309 968 | 343 311 |
| B | KZN226 Mkhambathini | 20 601 | 23 183 | 25 478 |
| B | KZN227 Richmond | 21 684 | 24 409 | 26 835 |
| C | DC22 uMgungundlovu District Municipality | 258 183 | 272 874 | 297 778 |
| Total: uMgungundlovu Municipalities | | 668 542 | 744 347 | 818 820 |
| B | KZN232 Emnambethi-Ladysmith | 83 304 | 94 065 | 103 561 |
| B | KZN233 Indaka | 44 140 | 49 711 | 54 667 |
| B | KZN234 Umtshezi | 21 569 | 24 411 | 26 893 |
| B | KZN235 Okhahlamba | 44 542 | 50 161 | 55 157 |
| B | KZN236 Imbabazane | 47 956 | 53 996 | 59 382 |
| C | DC23 Uthukela District Municipality | 198 196 | 222 676 | 244 720 |
| Total: Uthukela Municipalities | | 439 707 | 495 021 | 544 379 |
| B | KZN241 Endumeni | 19 788 | 22 437 | 24 741 |
| B | KZN242 Nquthu | 47 451 | 53 432 | 58 735 |
| B | KZN244 Msinga | 46 328 | 52 132 | 57 271 |
| B | KZN245 Umvoti | 30 040 | 33 838 | 37 203 |
| C | DC24 Umzinyathi District Municipality | 132 014 | 148 391 | 163 102 |
| Total: Umzinyathi Municipalities | | 275 622 | 310 230 | 341 052 |
| B | KZN252 Newcastle | 225 777 | 255 395 | 281 462 |
| B | KZN253 eMadlangeni | 9 622 | 10 817 | 11 875 |
| B | KZN254 Dannhauser | 34 578 | 38 930 | 42 798 |
| C | DC25 Amajuba District Municipality | 78 331 | 86 968 | 95 266 |
| Total: Amajuba Municipalities | | 348 308 | 392 110 | 431 401 |
| B | KZN261 eDumbe | 26 395 | 29 732 | 32 694 |
| B | KZN262 uPhongolo | 43 874 | 49 420 | 54 356 |
| B | KZN263 Abaqulusi | 57 815 | 65 083 | 71 546 |
| B | KZN265 Nongoma | 49 419 | 55 621 | 61 124 |
| B | KZN266 Ulundi | 56 601 | 63 711 | 70 018 |
| C | DC26 Zululand District Municipality | 198 670 | 223 201 | 245 293 |
| Total: Zululand Municipalities | | 432 774 | 486 768 | 535 032 |
| B | KZN271 Umhlabuyalingana | 35 750 | 40 230 | 44 195 |
| B | KZN272 Jozini | 48 546 | 54 641 | 60 038 |
| B | KZN273 The Big Five False Bay | 9 747 | 10 956 | 12 026 |
| B | KZN274 Hlabisa | 39 265 | 44 144 | 48 471 |
| B | KZN275 Mtubatuba | 12 309 | 13 861 | 15 239 |
| C | DC27 Umkhanyakude District Municipality | 133 129 | 149 636 | 164 469 |
| Total: Umkhanyakude Municipalities | | 278 746 | 313 468 | 344 438 |

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 | |
| | | 2010/11 Allocation | Forward Estimates | |
| | | | 2011/12 | 2012/13 |
| | R'000 | R'000 | R'000 | |
| B | KZN281 Mfolozi | 31 241 | 35 138 | 38 604 |
| B | KZN282 uMhlathuze | 145 629 | 165 170 | 182 243 |
| B | KZN283 Ntambanana | 14 750 | 16 575 | 18 199 |
| B | KZN284 Umlalazi | 58 565 | 65 906 | 72 422 |
| B | KZN285 Mthonjaneni | 18 193 | 20 491 | 22 530 |
| B | KZN286 Nkandla | 34 332 | 38 627 | 42 427 |
| C | DC28 uThungulu District Municipality | 259 978 | 288 406 | 315 853 |
| Total: uThungulu Municipalities | | 562 687 | 630 313 | 692 277 |
| B | KZN291 Mandeni | 49 629 | 55 886 | 61 456 |
| B | KZN292 KwaDukuza | 50 940 | 58 202 | 64 441 |
| B | KZN293 Ndwedwe | 43 443 | 48 882 | 53 707 |
| B | KZN294 Maphumulo | 33 488 | 37 695 | 41 426 |
| C | DC29 iLembe District Municipality | 178 694 | 200 114 | 219 728 |
| Total: iLembe Municipalities | | 356 194 | 400 779 | 440 757 |
| B | KZN431 Ingwe | 35 213 | 39 645 | 43 579 |
| B | KZN432 Kwa Sani | 8 754 | 9 857 | 10 832 |
| B | KZN433 Greater Kokstad | 36 196 | 40 906 | 45 058 |
| B | KZN434 Ubuhlebezwe | 35 479 | 39 934 | 43 888 |
| B | KZN435 Umzimkhulu | 59 411 | 66 898 | 73 551 |
| C | DC43 Sisonke District Municipality | 156 284 | 175 760 | 193 166 |
| Total: Sisonke Municipalities | | 331 336 | 373 000 | 410 073 |
| Total: KwaZulu-Natal Municipalities | | 5 533 344 | 6 255 840 | 6 871 291 |

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 | | |
|---|---|-------------------------|-------------------|------------------|
| | | 2010/11 Allocation | Column B | |
| | | | Forward Estimates | |
| | | 2011/12 | 2012/13 | |
| | | R'000 | R'000 | R'000 |
| LIMPOPO | | | | |
| B | LIM473 Makhuduthamaga | 107 338 | 120 858 | 132 909 |
| B | LIM474 Fetakgomo | 33 103 | 37 236 | 40 907 |
| B | LIM471 Greater Marble Hall | 52 272 | 58 862 | 64 744 |
| B | LIM472 Elias Motsoaledi | 100 148 | 112 761 | 124 019 |
| B | LIM475 Greater Tubatse | 94 525 | 106 448 | 117 053 |
| C | DC47 Greater Sekhukhune District Municipality | 274 264 | 307 959 | 338 391 |
| Total: Greater Sekhukhune Municipalities | | 661 651 | 744 124 | 818 022 |
| B | LIM331 Greater Giyani | 100 047 | 112 636 | 123 862 |
| B | LIM332 Greater Letaba | 100 445 | 113 119 | 124 422 |
| B | LIM333 Greater Tzaneen | 154 949 | 174 825 | 192 570 |
| B | LIM334 Ba-Phalaborwa | 47 605 | 53 625 | 58 982 |
| B | LIM335 Maruleng | 39 323 | 44 259 | 48 656 |
| C | DC33 Mopani District Municipality | 363 483 | 408 208 | 448 567 |
| Total: Mopani Municipalities | | 805 851 | 906 671 | 997 058 |
| B | LIM341 Musina | 24 045 | 27 089 | 29 800 |
| B | LIM342 Mutale | 29 975 | 33 725 | 37 057 |
| B | LIM343 Thulamela | 202 015 | 227 875 | 250 961 |
| B | LIM344 Makhado | 185 483 | 209 219 | 230 428 |
| C | DC34 Vhembe District Municipality | 371 246 | 417 712 | 459 245 |
| Total: Vhembe Municipalities | | 812 764 | 915 619 | 1 007 490 |
| B | LIM351 Blouberg | 60 017 | 67 577 | 74 303 |
| B | LIM352 Aganang | 55 215 | 62 140 | 68 297 |
| B | LIM353 Molemole | 57 083 | 64 282 | 70 706 |
| B | LIM354 Polokwane | 307 859 | 347 758 | 383 056 |
| B | LIM355 Lepelle-Nkumpi | 93 674 | 105 472 | 115 985 |
| C | DC35 Capricorn District Municipality | 316 939 | 353 462 | 387 666 |
| Total: Capricorn Municipalities | | 890 787 | 1 000 691 | 1 100 015 |
| B | LIM361 Thabazimbi | 45 148 | 50 926 | 56 038 |
| B | LIM362 Lephalale | 72 053 | 81 258 | 89 410 |
| B | LIM364 Mookgopong | 18 371 | 20 723 | 22 799 |
| B | LIM365 Modimolle | 44 945 | 50 702 | 55 794 |
| B | LIM366 Bela Bela | 35 685 | 40 292 | 44 346 |
| B | LIM367 Mogalakwena | 193 964 | 218 921 | 241 058 |
| C | DC36 Waterberg District Municipality | 85 215 | 89 991 | 94 460 |
| Total: Waterberg Municipalities | | 495 380 | 552 813 | 603 905 |
| Total: Limpopo Municipalities | | 3 666 434 | 4 119 918 | 4 526 490 |

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 | | |
|---|---|-------------------------|-------------------|------------------|
| | | 2010/11 Allocation | Column B | |
| | | | Forward Estimates | |
| | | R'000 | 2011/12 R'000 | 2012/13 R'000 |
| MPUMALANGA | | | | |
| B | MP301 Albert Luthuli | 119 231 | 134 400 | 147 831 |
| B | MP302 Msukaligwa | 82 968 | 93 595 | 102 977 |
| B | MP303 Mkhondo | 73 346 | 82 684 | 90 941 |
| B | MP304 Pixley Ka Seme | 66 690 | 75 197 | 82 727 |
| B | MP305 Lekwa | 62 872 | 70 947 | 78 073 |
| B | MP306 Dipaleseng | 35 349 | 39 859 | 43 845 |
| B | MP307 Govan Mbeki | 156 732 | 177 783 | 196 161 |
| C | DC30 Gert Sibande District Municipality | 238 148 | 248 242 | 258 009 |
| Total: Gert Sibande Municipalities | | 835 336 | 922 708 | 1 000 563 |
| B | MP311 Delmas | 40 266 | 45 473 | 50 053 |
| B | MP312 Emalahleni | 146 796 | 166 569 | 183 854 |
| B | MP313 Steve Tshwete | 70 395 | 80 174 | 88 591 |
| B | MP314 Emakhazeni | 28 324 | 31 933 | 35 122 |
| B | MP315 Thembisile | 172 932 | 194 891 | 214 399 |
| B | MP316 Dr JS Moroka | 180 529 | 203 426 | 223 761 |
| C | DC31 Nkangala District Municipality | 282 304 | 294 137 | 305 605 |
| Total: Nkangala Municipalities | | 921 548 | 1 016 603 | 1 101 385 |
| B | MP321 Thaba Chweu | 59 553 | 67 191 | 73 946 |
| B | MP322 Mbombela | 247 674 | 279 834 | 308 291 |
| B | MP323 Umjindi | 36 584 | 41 278 | 45 425 |
| B | MP324 Nkomazi | 196 588 | 221 861 | 244 251 |
| B | MP325 Bushbuckridge | 339 796 | 383 126 | 421 623 |
| C | DC32 Ehlanzeni District Municipality | 166 230 | 175 478 | 184 139 |
| Total: Ehlanzeni Municipalities | | 1 046 425 | 1 168 768 | 1 277 676 |
| Total: Mpumalanga Municipalities | | 2 803 310 | 3 108 079 | 3 379 625 |

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 | | |
|--|--|-------------------------|-------------------|------------------|
| | | 2010/11 Allocation | Column B | |
| | | | Forward Estimates | |
| | | 2011/12 | 2012/13 | |
| | | R'000 | R'000 | R'000 |
| NORTHERN CAPE | | | | |
| B | NC451 Moshaweng | 47 483 | 53 490 | 58 811 |
| B | NC452 Ga-Segonyana | 48 470 | 54 657 | 60 135 |
| B | NC453 Gamagara | 16 224 | 18 317 | 20 161 |
| C | DC45 John Taolo Gaetsewe District Municipality | 48 852 | 52 393 | 55 625 |
| Total: John Taolo Gaetsewe Municipalities | | 161 029 | 178 856 | 194 731 |
| B | NC061 Richtersveld | 9 197 | 10 368 | 11 396 |
| B | NC062 Nama Khoi | 27 222 | 30 670 | 33 724 |
| B | NC064 Kamiesberg | 9 425 | 10 596 | 11 632 |
| B | NC065 Hantam | 15 680 | 17 665 | 19 420 |
| B | NC066 Karoo Hoogland | 10 139 | 11 399 | 12 513 |
| B | NC067 Khai-Ma | 9 566 | 10 755 | 11 806 |
| C | DC6 Namakwa District Municipality | 29 291 | 30 898 | 32 401 |
| Total: Namakwa Municipalities | | 110 519 | 122 351 | 132 892 |
| B | NC071 Ubuntu | 13 986 | 15 756 | 17 319 |
| B | NC072 Umsobomvu | 23 637 | 26 638 | 29 291 |
| B | NC073 Emthanjeni | 28 011 | 31 598 | 34 759 |
| B | NC074 Kareeberg | 9 050 | 10 194 | 11 201 |
| B | NC075 Renosterberg | 11 249 | 12 654 | 13 895 |
| B | NC076 Thembelihle | 10 815 | 12 163 | 13 357 |
| B | NC077 Siyathemba | 15 440 | 17 402 | 19 134 |
| B | NC078 Siyancuma | 25 818 | 29 101 | 32 009 |
| C | DC7 Pixley Ka Seme District Municipality | 25 666 | 27 486 | 29 147 |
| Total: Pixley Ka Seme Municipalities | | 163 673 | 182 991 | 200 112 |
| B | NC081 Mier | 6 650 | 7 478 | 8 207 |
| B | NC082 !Kai! Garib | 35 787 | 40 326 | 44 361 |
| B | NC083 //Khara Hais | 40 532 | 45 901 | 50 578 |
| B | NC084 !Kheis | 11 788 | 13 259 | 14 562 |
| B | NC085 Tsantsabane | 18 204 | 20 514 | 22 554 |
| B | NC086 Kgatelopele | 11 591 | 13 047 | 14 339 |
| C | DC8 Siyanda District Municipality | 43 532 | 46 313 | 48 878 |
| Total: Siyanda Municipalities | | 168 084 | 186 839 | 203 479 |
| B | NC091 Sol Plaatje | 121 741 | 138 223 | 152 568 |
| B | NC092 Dikgatlong | 34 478 | 38 858 | 42 732 |
| B | NC093 Magareng | 22 648 | 25 524 | 28 070 |
| B | NC094 Phokwane | 50 647 | 57 089 | 62 804 |
| C | DC9 Frances Baard District Municipality | 76 378 | 83 873 | 91 549 |
| Total: Frances Baard Municipalities | | 305 892 | 343 567 | 377 723 |
| Total: Northern Cape Municipalities | | 909 198 | 1 014 604 | 1 108 938 |

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 | |
| | | 2010/11 Allocation | Forward Estimates | |
| | | 2011/12 | 2012/13 | |
| | | R'000 | R'000 | R'000 |
| NORTH WEST | | | | |
| B | NW371 Moretele | 115 673 | 130 313 | 143 305 |
| B | NW372 Madibeng | 217 230 | 245 326 | 270 216 |
| B | NW373 Rustenburg | 206 740 | 233 949 | 257 954 |
| B | NW374 Kgetlengrivier | 32 605 | 36 751 | 40 424 |
| B | NW375 Moses Kotane | 179 214 | 202 003 | 222 245 |
| C | DC37 Bojanala Platinum District Municipality | 224 696 | 235 536 | 245 852 |
| Total: Bojanala Platinum Municipalities | | 976 159 | 1 083 876 | 1 179 997 |
| B | NW381 Ratlou | 49 310 | 55 522 | 61 064 |
| B | NW382 Tswaing | 48 094 | 54 163 | 59 572 |
| B | NW383 Mafikeng | 96 350 | 108 766 | 119 833 |
| B | NW384 Ditsobotla | 61 003 | 68 671 | 75 512 |
| B | NW385 Ramotshere Moiloa | 60 151 | 67 736 | 74 496 |
| C | DC38 Ngaka Modiri Molema District Municipality | 315 958 | 353 240 | 387 685 |
| Total: Ngaka Modiri Molema Municipalities | | 630 866 | 708 097 | 778 163 |
| B | NW391 Kagisano | 42 848 | 48 234 | 53 037 |
| B | NW392 Naledi | 26 405 | 29 811 | 32 812 |
| B | NW393 Mamusa | 24 380 | 27 458 | 30 196 |
| B | NW394 Greater Taung | 72 436 | 81 527 | 89 619 |
| B | NW395 Molopo | 8 606 | 9 661 | 10 597 |
| B | NW396 Lekwa-Teemane | 21 761 | 24 517 | 26 967 |
| C | DC39 Dr Ruth Segomotsi Mompati District Municipality | 165 396 | 185 831 | 204 182 |
| Total: Dr Ruth Segomotsi Mompati Municipalities | | 361 832 | 407 039 | 447 410 |
| B | NW401 Ventersdorp | 35 264 | 39 755 | 43 732 |
| B | NW402 Tlokwe | 69 095 | 78 447 | 86 596 |
| B | NW403 City of Matlosana | 283 801 | 320 975 | 353 769 |
| B | NW404 Maquassi Hills | 58 942 | 66 471 | 73 134 |
| C | DC40 Dr Kenneth Kaunda District Municipality | 147 927 | 156 244 | 155 569 |
| Total: Dr Kenneth Kaunda Municipalities | | 595 029 | 661 892 | 712 801 |
| Total: North West Municipalities | | 2 563 886 | 2 860 905 | 3 118 371 |

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 | |
| | | 2010/11 Allocation | Forward Estimates | |
| 2011/12 | 2012/13 | | | |
| | | R'000 | R'000 | R'000 |
| WESTERN CAPE | | | | |
| A | CPT City of Cape Town | 861 811 | 997 555 | 1 114 890 |
| B | WC011 Matzikama | 27 119 | 30 618 | 33 710 |
| B | WC012 Cederberg | 21 423 | 24 204 | 26 644 |
| B | WC013 Bergrivier | 18 735 | 21 180 | 23 324 |
| B | WC014 Saldanha Bay | 26 840 | 30 735 | 34 015 |
| B | WC015 Swartland | 20 979 | 23 913 | 26 421 |
| C | DC1 West Coast District Municipality | 68 704 | 72 217 | 75 539 |
| Total: West Coast Municipalities | | 183 800 | 202 867 | 219 654 |
| B | WC022 Witzenberg | 36 683 | 41 433 | 45 613 |
| B | WC023 Drakenstein | 59 707 | 68 150 | 75 428 |
| B | WC024 Stellenbosch | 34 272 | 39 423 | 43 777 |
| B | WC025 Breede Valley | 53 333 | 60 629 | 66 972 |
| B | WC026 Langeberg | 41 769 | 47 181 | 51 948 |
| C | DC2 Cape Winelands District Municipality | 195 500 | 203 735 | 211 710 |
| Total: Cape Winelands Municipalities | | 421 263 | 460 550 | 495 448 |
| B | WC031 Theewaterskloof | 43 655 | 49 296 | 54 272 |
| B | WC032 Overstrand | 26 920 | 32 251 | 34 244 |
| B | WC033 Cape Agulhas | 13 494 | 15 306 | 16 872 |
| B | WC034 Swellendam | 15 267 | 17 279 | 19 028 |
| C | DC3 Overberg District Municipality | 40 309 | 42 554 | 44 650 |
| Total: Overberg Municipalities | | 139 645 | 156 686 | 169 065 |
| B | WC041 Kannaland | 15 563 | 17 559 | 19 313 |
| B | WC042 Hessequa | 21 258 | 24 166 | 26 659 |
| B | WC043 Mossel Bay | 34 233 | 38 851 | 42 854 |
| B | WC044 George | 58 296 | 66 591 | 73 701 |
| B | WC045 Oudtshoorn | 35 403 | 39 983 | 44 009 |
| B | WC047 Bitou | 17 536 | 20 458 | 22 196 |
| B | WC048 Knysna | 22 279 | 27 605 | 28 438 |
| C | DC4 Eden District Municipality | 126 111 | 132 354 | 138 285 |
| Total: Eden Municipalities | | 330 680 | 367 566 | 395 455 |
| B | WC051 Laingsburg | 6 862 | 7 728 | 8 484 |
| B | WC052 Prince Albert | 7 956 | 8 945 | 9 818 |
| B | WC053 Beaufort West | 22 401 | 25 300 | 27 842 |
| C | DC5 Central Karoo District Municipality | 15 756 | 17 217 | 18 525 |
| Total: Central Karoo Municipalities | | 52 976 | 59 189 | 64 669 |
| Total: Western Cape Municipalities | | 1 990 175 | 2 244 414 | 2 459 181 |
| National Total | | 30 167 706 | 33 939 901 | 37 234 396 |

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 | | |
|--|---|---|---|--------------------------------------|---|---|------------------|------------------|
| | | | | | 2010/11 Allocation | Forward Estimates | | |
| | | | | | | 2011/12 | 2012/13 | |
| Agriculture, Forestry and Fisheries (Vote 25) | Comprehensive Agricultural Support Programme Grant | To expand the provision of agricultural support services to promote and facilitate agricultural development to targeted groups. | General conditional allocation to provinces | Eastern Cape | R'000 | R'000 | R'000 | |
| | | | | Free State | 160 004 | 170 557 | 179 085 | |
| | | | | Gauteng | 75 772 | 88 894 | 93 339 | |
| | | | | KwaZulu-Natal | 42 187 | 43 965 | 46 163 | |
| | | | | Limpopo | 135 804 | 160 176 | 168 185 | |
| | | | | Mpumalanga | 144 567 | 148 123 | 155 530 | |
| | | | | Northern Cape | 81 947 | 95 691 | 100 475 | |
| | | | | North West | 58 275 | 63 954 | 67 152 | |
| | | | | Western Cape | 100 745 | 129 485 | 135 959 | |
| | | | | | 63 064 | 78 476 | 82 399 | |
| | | | | | TOTAL | 862 365 | 979 321 | 1 028 287 |
| Health (Vote 15) | (a) Health Professions Training and Development Grant | Support provinces to fund operational costs associated with training of health professionals; development and recruitment of medical specialists in under-served provinces; and support and strengthen undergraduate and postgraduate teaching and training processes in health facilities. | Nationally assigned function to provinces | Eastern Cape | 160 444 | 170 071 | 178 730 | |
| | | | | Free State | 117 400 | 124 444 | 130 930 | |
| | | | | Gauteng | 651 701 | 690 803 | 725 310 | |
| | | | | KwaZulu-Natal | 235 771 | 249 917 | 261 860 | |
| | | | | Limpopo | 94 085 | 99 730 | 103 913 | |
| | | | | Mpumalanga | 76 149 | 80 718 | 85 208 | |
| | | | | Northern Cape | 61 802 | 65 510 | 68 583 | |
| | | | | North West | 83 324 | 88 323 | 93 522 | |
| | | | | Western Cape | 384 711 | 407 794 | 428 120 | |
| | | | | | TOTAL | 1 865 387 | 1 977 310 | 2 076 176 |
| | | | | (b) National Tertiary Services Grant | To compensate tertiary facilities for the additional costs associated with the rendering of tertiary services provision and spill over effects. | Nationally assigned function to provinces | Eastern Cape | 557 137 |
| Free State | 659 469 | 695 204 | 729 964 | | | | | |
| Gauteng | 2 561 154 | 2 699 936 | 2 834 933 | | | | | |
| KwaZulu-Natal | 1 102 585 | 1 162 331 | 1 220 448 | | | | | |
| Limpopo | 257 314 | 257 314 | 270 180 | | | | | |
| Mpumalanga | 91 879 | 96 858 | 101 700 | | | | | |
| Northern Cape | 225 948 | 225 948 | 237 245 | | | | | |
| North West | 179 280 | 179 280 | 188 244 | | | | | |
| Western Cape | 1 763 234 | 1 894 680 | 1 989 415 | | | | | |
| | TOTAL | 7 398 000 | 7 798 878 | | | | 8 188 822 | |

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 | |
|--|---|--|---|-----------------------------------|-----------------------------------|---|---|
| | | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | | 2011/12 | 2012/13 |
| Higher Education and Training (Vote 16) | 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 | R'000 555 208 | R'000 581 579 | R'000 610 484 |
| | | | | Free State | 256 703 | 273 275 | 286 827 |
| | | | | Gauteng | 883 160 | 928 310 | 974 354 |
| | | | | KwaZulu-Natal | 642 561 | 681 906 | 715 785 |
| | | | | Limpopo | 435 854 | 452 613 | 475 046 |
| | | | | Mpumalanga | 285 563 | 303 207 | 318 258 |
| | | | | Northern Cape | 52 101 | 52 905 | 55 530 |
| | | | | North West | 214 999 | 224 039 | 235 188 |
| | | | | Western Cape | 446 512 | 474 155 | 497 616 |
| | | | | TOTAL | 3 772 661 | 3 971 989 | 4 169 088 |
| | | | | National Treasury (Vote 9) | Infrastructure Grant to Provinces | To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education, roads, health and agriculture; to enhance the application of labour intensive methods in order to maximise job creation and skills development as encapsulated in the EPWP guidelines; and to enhance capacity to deliver infrastructure. | General conditional allocation to provinces |
| Free State | 869 338 | 997 085 | 1 091 625 | | | | |
| Gauteng | 952 477 | 1 097 646 | 1 211 032 | | | | |
| KwaZulu-Natal | 2 395 763 | 2 757 467 | 3 025 901 | | | | |
| Limpopo | 1 743 422 | 2 083 089 | 2 060 678 | | | | |
| Mpumalanga | 976 347 | 1 125 906 | 1 102 946 | | | | |
| Northern Cape | 598 847 | 688 471 | 755 831 | | | | |
| North West | 973 072 | 1 118 968 | 1 228 125 | | | | |
| Western Cape | 794 845 | 916 760 | 1 010 852 | | | | |
| TOTAL | 11 314 911 | 13 091 190 | 14 007 550 | | | | |
| Transport (Vote 36) | 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 | 148 077 | 166 953 | 180 460 |
| | | | | Free State | 169 264 | 184 566 | 195 516 |
| | | | | Gauteng | 1 496 442 | 1 577 612 | 1 635 695 |
| | | | | KwaZulu-Natal | 714 587 | 773 473 | 815 611 |
| | | | | Limpopo | 214 472 | 249 498 | 274 561 |
| | | | | Mpumalanga | 397 003 | 420 099 | 436 626 |
| | | | | Northern Cape | 30 370 | 37 565 | 42 715 |
| | | | | North West | 60 416 | 77 211 | 89 230 |
| | | | | Western Cape | 632 402 | 666 255 | 690 480 |
| | | | | TOTAL | 3 863 033 | 4 153 232 | 4 360 894 |

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 | |
|--|---|---|----------------------|-------------------------|-------------------------|-------------------------|
| | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | 2011/12 | 2012/13 |
| Cooperative Governance and Traditional Affairs (Vote 3) | Municipal Infrastructure Grant (Cities) | Supplements the capital revenues of selected large urban municipalities in order to support their infrastructure investment programmes. | Nelson Mandela Bay | R'000 182 532 | R'000 219 532 | R'000 266 931 |
| | | | Ekurhuleni | 501 395 | 603 030 | 733 230 |
| | | | City of Johannesburg | 556 450 | 669 245 | 813 741 |
| | | | City of Tshwane | 384 068 | 461 921 | 561 654 |
| | | | eThekwini | 595 912 | 716 707 | 871 450 |
| | | | City of Cape Town | 383 726 | 461 509 | 561 153 |
| | | | TOTAL | 2 604 083 | 3 131 944 | 3 808 159 |

SCHEDULE 5

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|---|--|--|------------------------|---------------|--------------------|-------------------|----------------|
| | | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | | 2011/12 | 2012/13 |
| Agriculture, Forestry and Fisheries (Vote 25) | (a) Ilima/Letsema Projects Grant | To assist vulnerable South African farming communities to achieve an increase in agricultural production. | Conditional allocation | Eastern Cape | R'000 20 000 | R'000 40 000 | R'000 42 000 |
| | | | | Free State | 26 000 | 52 000 | 54 600 |
| | | | | Gauteng | 10 000 | 20 000 | 21 000 |
| | | | | KwaZulu-Natal | 30 000 | 60 000 | 63 000 |
| | | | | Limpopo | 20 000 | 40 000 | 42 000 |
| | | | | Mpumalanga | 20 000 | 40 000 | 42 000 |
| | | | | Northern Cape | 30 000 | 60 000 | 63 000 |
| | | | | North West | 20 000 | 40 000 | 42 000 |
| | | | | Western Cape | 24 000 | 48 000 | 50 400 |
| | | | | TOTAL | 200 000 | 400 000 | 420 000 |
| | (b) Land Care Programme Grant: Poverty Relief and Infrastructure Development | To enhance a sustainable conservation of natural resources through a community-based participatory approach; create job opportunities through the Expanded Public Works programme; and improve food security within previously disadvantaged communities. | Conditional allocation | Eastern Cape | 8 721 | 9 244 | 9 707 |
| | | | | Free State | 4 360 | 4 622 | 4 853 |
| | | | | Gauteng | 3 815 | 4 044 | 4 246 |
| | | | | KwaZulu-Natal | 8 721 | 9 244 | 9 706 |
| | | | | Limpopo | 8 176 | 8 667 | 9 100 |
| | | | | Mpumalanga | 4 904 | 5 198 | 5 458 |
| | | | | Northern Cape | 5 995 | 6 355 | 6 672 |
| | | | | North West | 6 540 | 6 932 | 7 279 |
| | | | | Western Cape | 3 270 | 3 466 | 3 640 |
| TOTAL | | | | 54 502 | 57 772 | 60 661 | |
| Arts and Culture (Vote 13) | 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 | 77 240 | 80 974 | 79 273 |
| | | | | Free State | 45 197 | 47 909 | 50 304 |
| | | | | Gauteng | 51 619 | 54 716 | 57 452 |
| | | | | KwaZulu-Natal | 38 282 | 45 401 | 48 619 |
| | | | | Limpopo | 62 733 | 66 497 | 69 822 |
| | | | | Mpumalanga | 62 733 | 66 497 | 69 822 |
| | | | | Northern Cape | 65 943 | 69 900 | 73 395 |
| | | | | North West | 59 275 | 62 832 | 65 973 |
| | | | | Western Cape | 49 638 | 48 694 | 56 129 |
| | | | | TOTAL | 512 660 | 543 420 | 570 789 |

SCHEDULE 5

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|---|---|--|------------------------|------------------|-----------------------|-------------------|---------|
| | | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | | 2011/12 | 2012/13 |
| | | | | | R'000 | R'000 | R'000 |
| Basic Education (Vote 14) | (a) Dinaledi Schools Grant | To enhance the quality of maths and science in Dinaledi schools by providing additional resources. | Conditional allocation | Eastern Cape | - | - | - |
| | | | | Free State | - | - | - |
| | | | | Gauteng | - | - | - |
| | | | | KwaZulu-Natal | - | - | - |
| | | | | Limpopo | - | - | - |
| | | | | Mpumalanga | - | - | - |
| | | | | Northern Cape | - | - | - |
| | | | | North West | - | - | - |
| | | | | Western Cape | - | - | - |
| | | | | Unallocated | - | 70 000 | 100 000 |
| | TOTAL | - | 70 000 | 100 000 | | | |
| | (b) HIV and Aids (Life Skills Education) Grant | To provide education and training for school management teams, learners, educators and other school support staff to develop, implement and manage life skills education in line with the National Strategic Plan on HIV and Aids, policies on HIV and Aids, National Curriculum Statement, drug and substance abuse and gender equity policies. | Conditional allocation | Eastern Cape | 32 189 | 34 346 | 35 322 |
| | | | | Free State | 10 866 | 11 772 | 12 561 |
| Gauteng | | | | 26 202 | 28 175 | 29 217 | |
| KwaZulu-Natal | | | | 42 686 | 45 114 | 46 876 | |
| Limpopo | | | | 28 322 | 28 088 | 30 012 | |
| Mpumalanga | | | | 15 392 | 16 388 | 17 486 | |
| Northern Cape | | | | 4 084 | 4 357 | 4 649 | |
| North West | | | | 12 912 | 14 700 | 15 685 | |
| Western Cape | | | | 15 392 | 16 388 | 17 486 | |
| TOTAL | | | | 188 045 | 199 328 | 209 294 | |
| (c) National School Nutrition Programme Grant | To provide nutritious meals to targeted learners. | Conditional allocation | Eastern Cape | 702 936 | 845 166 | 909 644 | |
| | | | Free State | 195 194 | 244 699 | 263 367 | |
| | | | Gauteng | 388 884 | 509 798 | 548 691 | |
| | | | KwaZulu-Natal | 855 285 | 1 070 013 | 1 151 644 | |
| | | | Limpopo | 659 233 | 829 669 | 892 964 | |
| | | | Mpumalanga | 354 341 | 440 923 | 474 560 | |
| | | | Northern Cape | 84 536 | 105 116 | 113 135 | |
| | | | North West | 249 599 | 305 935 | 329 301 | |
| | | | Western Cape | 173 318 | 227 433 | 244 784 | |
| | | | TOTAL | 3 663 326 | 4 578 752 | 4 928 090 | |

SCHEDULE 5

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|--------------------------------------|--|--|------------------------|---------------|-----------------------|-------------------|------------------|
| | | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | | 2011/12 | 2012/13 |
| Basic Education (Vote 14) | (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 | R'000 | R'000 | R'000 |
| | | | | Free State | 9 549 | 23 873 | 25 066 |
| | | | | Gauteng | 7 477 | 18 693 | 19 628 |
| | | | | KwaZulu-Natal | 17 944 | 44 861 | 47 104 |
| | | | | Limpopo | 15 274 | 38 185 | 40 095 |
| | | | | Mpumalanga | 8 479 | 21 197 | 22 257 |
| | | | | Northern Cape | 5 869 | 14 672 | 15 406 |
| | | | | North West | 3 423 | 8 557 | 8 984 |
| | | | | Western Cape | 8 697 | 21 743 | 22 830 |
| | | | | TOTAL | 3 288 | 8 219 | 8 630 |
| | | | | | 80 000 | 200 000 | 210 000 |
| Health (Vote 15) | (a) Comprehensive HIV and Aids Grant | To enable the health sector to develop an effective response to HIV and Aids; to support the implementation of the National Operational Plan for comprehensive HIV and Aids treatment and care; and to subsidise in-part funding for the antiretroviral treatment programme. | Conditional allocation | Eastern Cape | 690 940 | 859 157 | 1 013 609 |
| | | | | Free State | 433 583 | 528 209 | 615 594 |
| | | | | Gauteng | 1 277 683 | 1 609 901 | 1 922 644 |
| | | | | KwaZulu-Natal | 1 498 811 | 1 877 593 | 2 241 412 |
| | | | | Limpopo | 514 896 | 623 404 | 720 009 |
| | | | | Mpumalanga | 383 646 | 484 439 | 578 384 |
| | | | | Northern Cape | 182 306 | 208 307 | 232 350 |
| | | | | North West | 475 838 | 593 638 | 702 510 |
| | | | | Western Cape | 554 054 | 648 314 | 738 098 |
| | | | | TOTAL | 6 011 757 | 7 432 962 | 8 764 610 |
| | (b) Forensic Pathology Services Grant | To continue the development and provision of adequate mortuary services in all provinces. | Conditional allocation | Eastern Cape | 69 345 | 73 506 | 77 185 |
| | | | | Free State | 37 218 | 39 451 | 41 423 |
| | | | | Gauteng | 92 421 | 97 966 | 102 864 |
| KwaZulu-Natal | | | | 152 406 | 161 550 | 169 627 | |
| Limpopo | 39 913 | 42 308 | 44 423 | | | | |
| Mpumalanga | 50 107 | 53 114 | 55 769 | | | | |
| Northern Cape | 22 868 | 24 240 | 25 452 | | | | |
| North West | 26 433 | 28 019 | 29 419 | | | | |
| Western Cape | 66 251 | 70 226 | 73 737 | | | | |
| TOTAL | 556 962 | 590 380 | 619 899 | | | | |

SCHEDULE 5

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|---|---|---|------------------------|--|-----------------------------------|---|------------------------|
| | | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | | 2011/12 | 2012/13 |
| Health (Vote 15) | (c) Hospital Revitalisation Grant | To provide funding to enable provinces to plan, manage, modernise, rationalise and transform the infrastructure, health technology, monitoring and evaluation of hospitals; and to transform hospital management and improve quality of care in line with national policy objectives. | Conditional allocation | Eastern Cape | R'000 360 660 | R'000 386 048 | R'000 406 909 |
| | | | | Free State | 378 426 | 421 883 | 442 744 |
| | | | | Gauteng | 798 609 | 805 967 | 837 259 |
| | | | | KwaZulu-Natal | 500 815 | 551 698 | 572 559 |
| | | | | Limpopo | 323 425 | 375 672 | 396 534 |
| | | | | Mpumalanga | 331 657 | 360 557 | 381 419 |
| | | | | Northern Cape | 420 218 | 410 892 | 431 754 |
| | | | | North West | 326 303 | 374 074 | 405 366 |
| | | | | Western Cape | 580 554 | 485 501 | 506 363 |
| | | | | TOTAL | 4 020 667 | 4 172 292 | 4 380 907 |
| | | | | Human Settlements (Vote 30) | (a) Housing Disaster Relief Grant | To provide emergency relief in support of reconstruction work to housing and related infrastructure damaged by storms in KwaZulu-Natal. | Conditional allocation |
| Free State | - | - | - | | | | |
| Gauteng | - | - | - | | | | |
| KwaZulu-Natal | 133 800 | - | - | | | | |
| Limpopo | - | - | - | | | | |
| Mpumalanga | - | - | - | | | | |
| Northern Cape | - | - | - | | | | |
| North West | - | - | - | | | | |
| Western Cape | - | - | - | | | | |
| TOTAL | 133 800 | - | - | | | | |
| (b) Human Settlements Development Grant | To provide funding for the creation of sustainable human settlements. | Conditional allocation | Eastern Cape | | | | |
| | | | Free State | 1 300 691 | 1 380 185 | 1 340 021 | |
| | | | Gauteng | 3 771 831 | 4 322 945 | 4 068 497 | |
| | | | KwaZulu-Natal | 2 714 109 | 3 149 500 | 3 327 629 | |
| | | | Limpopo | 1 234 750 | 1 415 163 | 1 648 567 | |
| | | | Mpumalanga | 975 863 | 1 118 449 | 1 250 327 | |
| | | | Northern Cape | 273 260 | 313 187 | 426 941 | |
| | | | North West | 1 288 770 | 1 578 161 | 1 314 907 | |
| | | | Western Cape | 1 868 843 | 2 141 905 | 2 000 165 | |
| | | | TOTAL | 15 026 763 | 17 222 368 | 17 938 701 | |

SCHEDULE 5

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|--|---|--|------------------------|---------------|--------------------|-------------------|------------------|
| | | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | | 2011/12 | 2012/13 |
| Public Works (Vote 6) | (a) Devolution of Property Rate Funds Grant | To facilitate the transfer of property rates expenditure responsibility to provinces; and to enable provincial accounting officers to be fully accountable for their expenditure and payment of provincial property rates. | Conditional allocation | Eastern Cape | R'000 147 467 | R'000 156 315 | R'000 164 131 |
| | | | | Free State | 154 158 | 163 408 | 171 578 |
| | | | | Gauteng | 191 381 | 202 864 | 213 007 |
| | | | | KwaZulu-Natal | 259 891 | 275 485 | 289 259 |
| | | | | Limpopo | 15 154 | 16 063 | 16 866 |
| | | | | Mpumalanga | 44 374 | 47 036 | 49 388 |
| | | | | Northern Cape | 29 698 | 31 480 | 33 054 |
| | | | | North West | 72 718 | 77 081 | 80 935 |
| | | | | Western Cape | 181 351 | 192 232 | 201 844 |
| | | | | TOTAL | 1 096 192 | 1 161 964 | 1 220 062 |
| | (b) Expanded Public Works Programme Grant for the Social Sector | To subsidise non-profit organisations in home and community based care via the provincial departments of Health and Social Development, to provide stipends to previously unpaid volunteers to maximise job creation and skills development in line with the Expanded Public Works Programme guidelines. | Conditional allocation | Eastern Cape | 10 884 | - | - |
| | | | | Free State | 4 992 | - | - |
| | | | | Gauteng | 5 100 | - | - |
| | | | | KwaZulu-Natal | 5 376 | - | - |
| | | | | Limpopo | 10 137 | - | - |
| | | | | Mpumalanga | 9 240 | - | - |
| | | | | Northern Cape | 2 616 | - | - |
| | | | | North West | 7 104 | - | - |
| | | | | Western Cape | 1 188 | - | - |
| TOTAL | 56 637 | - | - | | | | |
| Sport and Recreation South Africa (Vote 19) | Mass Sport and Recreation Participation Programme Grant | To promote mass participation within communities and schools through selected sport and recreation activities, empowerment of communities and schools in conjunction with stakeholders and development of communities through sport. | Conditional allocation | Eastern Cape | 66 531 | 70 523 | 74 049 |
| | | | | Free State | 28 186 | 29 877 | 31 371 |
| | | | | Gauteng | 67 664 | 71 724 | 75 310 |
| | | | | KwaZulu-Natal | 90 256 | 95 671 | 100 455 |
| | | | | Limpopo | 43 604 | 46 220 | 48 531 |
| | | | | Mpumalanga | 31 663 | 33 563 | 35 241 |
| | | | | Northern Cape | 23 927 | 25 363 | 26 631 |
| | | | | North West | 34 022 | 36 063 | 37 866 |
| | | | | Western Cape | 40 532 | 42 964 | 45 112 |
| | | | | TOTAL | 426 385 | 451 968 | 474 566 |

SCHEDULE 5

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|--------------------------------|------------------------------------|--|------------------------|---------------|-----------------------|-------------------|---------|
| | | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | | 2011/12 | 2012/13 |
| | | | | | R'000 | R'000 | R'000 |
| Transport (Vote 36) | (a) Gautrain Rapid Rail Link Grant | 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 | 438 360 | 5 300 | - |
| | | | | KwaZulu-Natal | - | - | - |
| | | | | Limpopo | - | - | - |
| | | | | Mpumalanga | - | - | - |
| | | | | Northern Cape | - | - | - |
| | | | | North West | - | - | - |
| | | | | Western Cape | - | - | - |
| | | | | TOTAL | 438 360 | 5 300 | - |
| | (b) Overload Control Grant | To successfully implement the National Overload Control Strategy and ensure that overloading practices are significantly reduced. | Conditional allocation | Eastern Cape | 5 519 | - | - |
| | | | | Free State | - | - | - |
| | | | | Gauteng | - | - | - |
| | | | | KwaZulu-Natal | - | - | - |
| | | | | Limpopo | - | - | - |
| Mpumalanga | | | | 5 519 | - | - | |
| Northern Cape | | | | - | - | - | |
| North West | - | - | - | | | | |
| Western Cape | - | - | - | | | | |
| TOTAL | 11 038 | - | - | | | | |

SCHEDULE 6

SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

| Vote | Name of allocation | Purpose | Column A | Column B | |
|--|---|--|-----------------------|-------------------|-------------------|
| | | | 2010/11 Allocation | Forward Estimates | |
| | | | | 2011/12 | 2012/13 |
| | | | R'000 | R'000 | R'000 |
| RECURRENT GRANTS | | | | | |
| Cooperative Governance and Traditional Affairs (Vote 3) | Municipal Systems Improvement Grant | To assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance systems. | 212 000 | 224 720 | 235 956 |
| National Treasury (Vote 9) | 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. | 364 589 | 384 641 | 403 873 |
| Water Affairs (Vote 37) | Water Services Operating Subsidy Grant | To subsidise water schemes owned and/or operated by the department or by other agencies on behalf of the department and transfer these schemes to local government. | 661 704 | 380 000 | 399 000 |
| Sport and Recreation SA (Vote 19) | 2010 World Cup Host City Operating Grant | To assist host cities with the operational response associated with the hosting of the 2010 FIFA World Cup competition. | 210 280 | - | - |
| TOTAL | | | 1 448 573 | 989 361 | 1 038 829 |
| INFRASTRUCTURE GRANTS | | | | | |
| Cooperative Governance and Traditional Affairs (Vote 3) | Municipal Infrastructure Grant | To provide specific capital finance for basic municipal infrastructure backlogs for poor households, to micro enterprises and social institutions servicing poor communities. | 9 924 800 | 11 936 607 | 14 513 821 |
| Energy (Vote 28) | (a) Integrated National Electrification Programme (Municipal) Grant | To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of permanently occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply. | 1 020 104 | 1 096 612 | 1 151 443 |
| | (b) Electricity Demand Side Management (Municipal) Grant | To implement the Electricity Demand Side Management (EDSM) programme by providing capital subsidies to licensed distributors to address EDSM in residential dwellings, communities and commercial buildings in order to mitigate the risk of load shedding and supply interruptions. | 220 000 | 280 000 | - |
| National Treasury (Vote 9) | 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). | 1 030 000 | 1 190 440 | 1 182 462 |
| Transport (Vote 36) | (a) Public Transport Infrastructure and Systems Grant | To provide for accelerated planning, establishment, construction and improvement of new and existing public transport and non-motorised transport infrastructure and systems. | 3 699 462 | 4 425 000 | 4 125 000 |
| | (b) Rural Transport Services and Infrastructure Grant | To strengthen the rural transport services by improving accessibility to essential services. | 10 400 | 11 100 | 11 655 |
| Water Affairs (Vote 37) | Municipal Drought Relief Grant | To provide capital finance for basic water supply in municipal infrastructure for affected households, micro enterprises and social institutions. | 228 357 | - | - |
| Sport and Recreation SA (Vote 19) | 2010 FIFA World Cup Stadiums Development Grant | To fund the design and construction of new designated stadiums or the design and upgrading of designated existing stadiums and supporting bulk services infrastructure in the World Cup host cities. | 302 286 | - | - |
| TOTAL | | | 16 435 409 | 18 939 759 | 20 984 381 |

SCHEDULE 7

ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES

| Vote | Name of allocation | Purpose | Column A | Column B | |
|------------------------------------|---|---|-----------------------|-------------------|------------------|
| | | | 2010/11 Allocation | Forward Estimates | |
| | | | | 2011/12 | 2012/13 |
| | | | R'000 | R'000 | R'000 |
| National Treasury (Vote 9) | 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). | 125 000 | 100 000 | 105 000 |
| Energy (Vote 28) | (a) Integrated National Electrification Programme (Eskom) Grant | To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to address the electrification backlog of permanently occupied dwellings, the installation of bulk infrastructure and rehabilitation of electrification infrastructure. | 1 751 780 | 1 769 812 | 1 914 057 |
| | (b) Electricity Demand Side Management (Eskom) Grant | To implement the Electricity Demand Side Management (EDSM) programme by providing capital subsidies to Eskom to address the EDSM in dwellings, communities and commercial buildings in order to mitigate the risk of load shedding and supply interruptions. | 108 900 | 118 800 | - |
| Water Affairs (Vote 37) | (a) Water Services Operating Subsidy Grant | To subsidise water schemes owned and/or operated by the department or by other agencies on behalf of the department and transfer these schemes to local government. | 145 978 | - | - |
| | (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. | 893 000 | 1 675 340 | 1 849 107 |
| Human Settlements (Vote 30) | Rural Households Infrastructure Grant | To provide specific capital finance for the eradication of rural sanitation backlogs targeted at existing households without access to sanitation and water. | 100 000 | 350 000 | 750 000 |
| TOTAL | | | 3 124 658 | 4 013 952 | 4 618 164 |

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 | |
|----------------------------------|--|--|-----------------------------------|---------------|-----------------------|-------------------|----------------|
| | | | | | 2010/11 Allocation | Forward Estimates | |
| | | | | | | 2011/12 | 2012/13 |
| Public Works (Vote 6) | Expanded Public Works Programme Incentive Grant to Provinces for the Infrastructure Sector | To incentivise provinces to increase labour intensive employment through programmes that maximise job creation and skills development in line with the Expanded Public Works Programme guidelines. | Incentive allocation to provinces | Eastern Cape | R'000 | R'000 | R'000 |
| | | | | Free State | 60 354 | - | - |
| | | | | Gauteng | 13 767 | - | - |
| | | | | KwaZulu-Natal | 39 154 | - | - |
| | | | | Limpopo | 169 470 | - | - |
| | | | | Mpumalanga | 2 903 | - | - |
| | | | | Northern Cape | 18 074 | - | - |
| | | | | North West | 1 167 | - | - |
| | | | | Western Cape | 2 897 | - | - |
| | | | | Unallocated | 23 218 | - | - |
| | | | | TOTAL | - | 800 000 | 840 000 |
| | 331 004 | 800 000 | 840 000 | | | | |

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

| Vote | Name of allocation | Purpose | Column A | Column B | |
|----------------------------------|---|--|-----------------------|-------------------|------------------|
| | | | 2010/11 Allocation | Forward Estimates | |
| | | | | 2011/12 | 2012/13 |
| Public Works (Vote 6) | Expanded Public Works Programme Incentive Grant for Municipalities | To incentivise municipalities to increase labour intensive employment through infrastructure programmes that maximise job creation and skills development in line with the Expanded Public Works Programme guidelines. | R'000 | R'000 | R'000 |
| | | | 622 996 | 1 108 000 | 1 163 400 |
| | | TOTAL | 622 996 | 1 108 000 | 1 163 400 |