
REPUBLIC OF SOUTH AFRICA

**DIVISION OF
REVENUE ACT**

No 2, 2008

ACT

To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2008/09 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—

“**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 of Public Deposits Act, 1984 (Act No. 46 of 1984);

“**financial year**” means the financial year commencing on 1 April 2008 and ending on 31 March 2009;

“**framework**” means the conditions and other information in respect of a conditional allocation published by the National Treasury in terms of section 22;

“**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 and ending on 30 June;

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

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

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

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

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

“**prescribe**” means prescribe by regulation in terms of section 47;

“**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 allocation, in terms of this Act must be deposited; and

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

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

“**quarter**” means—

(a) 1 April to 30 June;

(b) 1 July to 30 September;

(c) 1 October to 31 December; or

(d) 1 January to 31 March;

“**receiving officer**”—

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

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

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

- “**transferring national officer**” means the accounting officer of a national department that transfers a Schedule 4, 5 or 6 allocation to a province or municipality or spends a Schedule 7 allocation on behalf of a municipality.
- (2) Any determination, instruction or request in terms of this Act must be in writing.

Objects of Act 5

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; 10
 - (c) promote predictability and certainty in respect of all allocations to provinces and municipalities in order that such governments may plan their budgets over a multi-year period;
 - (d) promote transparency and equity in the resource allocation process; and 15
 - (e) promote accountability by ensuring that all allocations are reflected on the budgets of receiving provinces and municipalities.

CHAPTER 2

EQUITABLE SHARE ALLOCATIONS

Equitable division of revenue raised nationally among spheres of government 20

3. (1) Revenue raised nationally in respect of the financial year must be divided among the national, provincial and local spheres of government for their equitable share allocations as set out in Column A of Schedule 1.
- (2) An envisaged division of revenue anticipated to be raised in respect of the next financial year and the 2010/11 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. 25

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. 30
- (2) An envisaged division for each province of revenue anticipated to be raised nationally in respect of the next financial year and the 2010/11 financial year, and which is subject to the provisions of the annual Division of Revenue Act for those financial years, is set out in Column B of Schedule 2.
- (3) Each province’s equitable share allocation contemplated in subsection (1) must be transferred to the corporation for public deposits account of the province, in accordance with a payment schedule determined by the National Treasury in terms of section 33. 35

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. 40
- (2) An envisaged division between municipalities of revenue anticipated to be raised nationally in respect of the next financial year and the 2010/11 financial year, and which is subject to the provisions of the annual Division of Revenue Act for those financial years, is set out in Column B of Schedule 3.
- (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 the seventh day of July, November and February, or if that day falls on a Saturday, Sunday or public holiday, the first working day following that day, in accordance with a payment schedule determined by the National Treasury in terms of section 33. 45

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.

(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. 5

(3) The national government may appropriate a portion of its equitable share or excess revenue contemplated in subsection (2) to make further allocations in an adjustments 10 budget to—

- (a) national departments; or
- (b) provinces or municipalities, as a conditional or an unconditional allocation.

CHAPTER 3

CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES 15

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 20 following Schedules:

- (a) Schedule 4 specifying allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets; and
- (b) Schedule 5 specifying specific-purpose allocations to provinces.

(2) An envisaged division of conditional allocations to provinces from the national 25 government's share of revenue anticipated to be raised nationally for the next financial year and the 2010/11 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1).

Conditional allocations to municipalities 30

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

- (a) Schedule 4 specifying allocations to municipalities to supplement the funding of functions funded from municipal budgets; 35
- (b) Schedule 6 specifying specific-purpose allocations to municipalities; and
- (c) Schedule 7 specifying allocations-in-kind to municipalities for designated special 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 40 financial year and the 2010/11 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1).

(3) The National Treasury must publish the share of each municipality in respect of the local government allocations contemplated in subsections (1) and (2) in the *Gazette* 45 in terms of section 22.

Part 2

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

Duties of transferring national officer in respect of Schedule 4 allocation

- 9.** (1) The transferring national officer of a Schedule 4 allocation is responsible for—
- (a) ensuring that transfers to all provinces and municipalities are made in accordance with the payment schedule approved in terms of section 33, unless allocations are withheld or stopped in terms of section 25 or 26; 5
 - (b) monitoring expenditure and non-financial performance information on programmes funded by an allocation, provided that any monitoring programme or system— 10
 - (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 15
 - (iv) is consistent with sections 11(2) and 23; and
 - (c) evaluating the performance of programmes funded or partially funded by the allocation and the submission of such evaluations to the National Treasury within four months in respect of a province and six months in respect of a municipality after the end of the financial year. 20
- (2) Where two or more national departments have responsibilities relating to a Schedule 4 allocation, the transferring national officer must co-ordinate the roles and responsibilities of such national departments and ensure that those roles and responsibilities— 25
- (a) are exercised in a manner that does not duplicate the responsibilities as set out in subsection (1); and
 - (b) do not impose any undue administrative burden on provinces or municipalities beyond the provision of standard management information.

Duties of transferring national officer in respect of Schedule 5, 6 or 7 allocation 30

- 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 governments and municipalities beyond the provision of standard management information;
 - (ii) monitoring provisions are compatible and integrated with and do not duplicate other relevant and related national, provincial and local systems; 40
 - (iii) in respect of a Schedule 5 allocation, any business plans requested in respect of how allocations will be utilised by a province have been approved prior to the start of the financial year;
 - (iv) in respect of a Schedule 6 allocation transferred to a municipality, any business plans requested in respect of how allocations will be utilised by a municipality have been approved prior to the start of the municipal financial year; 45
 - (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; 50
 - (c) transfer funds only in accordance with a payment schedule determined in accordance with section 33;
 - (d) deposit funds only into the primary bank account of a province or municipality, or, where appropriate, into the corporation for public deposits account of a province or the bank account designated for transfer of the Gautrain Rapid Rail Link allocation in accordance with section 16; and 55
 - (e) ensure that all other arrangements or requirements necessary for the transfer of an allocation have been complied with prior to the start of the financial year.

- (2) The transferring national officer must submit all relevant information and documentation referred to in subsection (1)(a) to the National Treasury within 14 days after this Act takes effect.
- (3) A transferring national officer who has not complied with subsection (1) must transfer such allocation as may be instructed by the National Treasury, including as an unconditional allocation. 5
- (4) Before making the first transfer of any allocation, the transferring national officer must take note of any notice in terms of section 32(1) from the National Treasury outlining the details of the account for each province or municipality.
- (5) Despite anything to the contrary contained in any law, a transferring national officer must in respect of any allocation, as part of the report contemplated in section 40(4)(c) of the Public Finance Management Act, not later than 20 days after the end of each month, and in the format determined by the National Treasury, submit to the National Treasury, information for the month reported on and for the financial year up to the end of that month, on— 15
- (a) the amount of funds transferred to a province or municipality;
 - (b) the amount of funds withheld or stopped from any province or municipality, the reasons for the withholding or stopping and the steps taken by the transferring national officer and the receiving officer to deal with the matters or causes that necessitated the withholding or stopping of the payment; 20
 - (c) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 or 6 allocation;
 - (d) the actual expenditure incurred by the transferring national officer in respect of a Schedule 7 allocation; and
 - (e) such other issues as the National Treasury may determine. 25
- (6) The transferring national officer must evaluate the performance of programmes funded or partially funded by the allocation and submit such evaluations to the National Treasury—
- (a) in respect of a province, four months after the end of the financial year; and
 - (b) in respect of a municipality, six months after the end of the financial year. 30

Duties of receiving officer in respect of Schedule 4 allocation

- 11.** (1) A receiving officer is responsible for—
- (a) complying with the framework for a Schedule 4 allocation as published in terms of section 22; and
 - (b) the manner in which it allocates and spends a Schedule 4 allocation. 35
- (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; 40
 - (b) as part of the report required in terms of section 71 of the Municipal Finance Management Act, report to the National Treasury and the transferring national officer on spending and financial performance against programmes; and 45
 - (c) quarterly, within 30 days after the end of each quarter, report to the National Treasury and the transferring national officer on non-financial performance against programmes.
- (3) The receiving officer in a province must— 50
- (a) submit, as part of the report required in section 40(4)(c) of the Public Finance Management Act, reports to the relevant provincial treasury on spending and performance against programmes; and
 - (b) submit a quarterly performance report within 30 days after the end of each quarter to the transferring national officer. 55
- (4) The receiving officer must report against programmes funded or partially funded by a Schedule 4 allocation against the relevant framework in its annual financial statements and annual report.
- (5) The receiving officer must, within two months after the end of the financial year and where relevant the municipal financial year, evaluate its performance in respect of 60

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

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

- 12.** (1) The relevant receiving officer must, in respect of a Schedule 5 or 6 allocation transferred to— 5
- (a) a province, as part of the report required in section 40(4)(c) of the Public Finance Management Act, submit a report to the relevant provincial treasury and the transferring national officer; and
 - (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, submit a report to the relevant transferring national officer. 10
- (2) A report by a province in terms of subsection (1) 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; 15
 - (c) the actual expenditure by the province in respect of a Schedule 5 allocation;
 - (d) the amount transferred to any national or provincial public entity to implement a programme funded by a Schedule 5 allocation on behalf of a province or assist the province in implementing such a programme;
 - (e) the actual expenditure by a public entity referred to in paragraph (d); 20
 - (f) the extent of compliance with the conditions of an allocation provided for in a framework and with this Act;
 - (g) an explanation of any material problems experienced by the province regarding an allocation which has been received and a summary of the steps taken to deal with such problems; and 25
 - (h) such other issues and information as the National Treasury may determine.
- (3) (a) Subsections (1) and (2) do not apply to the receiving officer of the Gautrain Rapid Rail Link allocation.
- (b) The receiving officer of the Gautrain Rapid Rail Link allocation must at the end of each quarter submit a report to the transferring national officer, detailing the payment made in that quarter to meet its payment obligation in terms of the public-private partnership agreement entered into by the province in accordance with regulations issued under the Public Finance Management Act. 30
- (c) Copies of payment certificates issued in terms of the public-private partnership agreement must be submitted together with a report referred to in paragraph (b). 35
- (4) A report by a municipality in terms of subsection (1) must set out for that month and for the financial year up to the end of that month—
- (a) the amount of funds stopped or withheld from the municipality;
 - (b) the extent of compliance with the conditions of an allocation or part of an allocation provided for in a framework and with this Act; 40
 - (c) an explanation of any material problems experienced by the municipality regarding an allocation which has been received and a summary of the steps taken to deal with such problems; and
 - (d) such other issues and information as the National Treasury may determine.
- (5) The receiving officer of the 2010 FIFA World Cup Stadiums Development Grant must in addition to subsection (1)— 45
- (a) include in the report contemplated in subsection (1) the cash flow projections for the stadium construction or upgrading in the format determined by the transferring national officer; and
 - (b) attach to the report contemplated in subsection (1) copies of payment certificates issued in terms of the construction contract entered into by the municipality in accordance with regulations issued under the Municipal Finance Management Act. 50
- (6) The receiving officer must, within two months after the end of the financial year and where relevant the municipal financial year, evaluate its performance in respect of programmes or functions funded or partially funded by an allocation and submit such evaluation to the transferring national officer. 55

Duties in respect of annual financial statements and annual reports for 2008/09

- 13.** (1) The 2008/09 financial statements of a national department transferring any funds in respect of an allocation set out in Schedule 4, 5 or 6 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 27;
 - (d) certify that all transfers to a province or municipality were deposited into the primary bank account of a province or municipality, or where appropriate, into the corporation for public deposits account of a province; and 10
 - (e) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer.
- (2) The 2008/09 annual report of a national department transferring any funds in respect of an allocation set out in Schedule 4, 5 or 6 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;
 - (b) indicate to what extent provinces or municipalities were monitored for compliance with the conditions of an allocation provided for in the relevant framework and the provisions of this Act; 20
 - (c) indicate to what extent the allocation achieved its purpose and outputs; and
 - (d) indicate any non-compliance with this Act, and the steps taken to deal with such non-compliance. 25
- (3) The 2008/09 financial statements of a provincial department receiving an allocation in terms of Schedule 4 or 5, must, in addition to any requirements in terms of any other applicable law—
- (a) indicate the total amount of all allocations received;
 - (b) indicate the total amount of actual expenditure on all allocations except Schedule 4 allocations; and 30
 - (c) certify that all transfers in terms of this Act to the province were deposited into the primary bank account of the province, or where appropriate, into the corporation for public deposits account of a province.
- (4) The 2008/09 annual report of a provincial department receiving an allocation in terms of Schedule 4 or 5, must, in addition to any requirements in terms of any other applicable law—
- (a) indicate to what extent the province met the conditions, provided for in the relevant framework of such an allocation, and complied with the provisions of this Act; 40
 - (b) indicate the steps taken to deal with non-compliance with the conditions, provided for in the relevant framework of such an allocation, and the provisions of this Act;
 - (c) indicate the extent to which the objectives and outputs of the allocation were achieved; and 45
 - (d) contain such other information as the National Treasury may determine.
- (5) The 2008/09 financial statements and annual report of a municipality must be prepared in accordance with the Municipal Finance Management Act.
- (6) The National Treasury may determine how transferring departments and receiving municipalities report on local government allocations on a quarterly basis to facilitate the audit of allocations for both the national and municipal financial years. 50

Part 3

Matters relating to specific Schedule 4 allocations

Infrastructure Grant to Provinces

- 14.** (1) The Infrastructure Grant to Provinces set out in Schedule 4 supplements the funding of infrastructure programmes funded from provincial budgets to enable provinces to address backlogs in provincial infrastructure. 55

- (2) A province must ensure that its provincial departments responsible for education, health and roads—
- (a) are responsible for all capital and maintenance budgets and spending for those functions;
 - (b) enter into, implement and manage service delivery agreements with national or provincial departments, national or public entities and any other organs of state, where such departments, entities or other organs of state manage or undertake construction or maintenance on their behalf; and
 - (c) participate, together with the provincial department responsible for public works in the Infrastructure Delivery Improvement Programme facilitated by the National Treasury, unless the National Treasury has exempted a department from participation.
- (3) (a) A province, in allocating the Infrastructure Grant to Provinces—
- (i) must take into account the capacity of the receiving provincial department to spend and manage infrastructure, based on the extent of any approved roll-overs in the 2006/07 financial year and any projected roll-overs in the 2007/08 financial year; and
 - (ii) may, where a receiving provincial department or a provincial department responsible for public works that manages or undertakes construction or maintenance on behalf of the receiving provincial department in accordance with an agreement referred to in subsection (2)(b) lacks capacity designate an amount not exceeding four per cent of the allocation for acquiring such capacity.
- (b) The percentage referred to in subsection (3)(a)(ii) must be informed by a capacity plan prepared by the receiving provincial department or the provincial department responsible for public works and approved by the provincial treasury.

Municipal Infrastructure Grant

- 15.** (1) The Municipal Infrastructure Grant set out in Schedule 4 supplements the funding of infrastructure programmes funded from municipal budgets to enable municipalities to address backlogs in municipal infrastructure required for the provision of basic services.
- (2) The Municipal Infrastructure Grant must be transferred, directly to a category A, B or C municipality that has the powers and functions referred to in section 84 of the Municipal Structures Act to provide municipal infrastructure in respect of those powers and functions.
- (3) A municipality receiving the Municipal Infrastructure Grant must table a three-year capital budget as part of its budget for the 2008/09 financial year in accordance with the Municipal Finance Management Act, unless exempted in terms of that Act.
- (4) The transferring national officer of the Municipal Infrastructure Grant, in addition to the duties contemplated in section 9, must 20 days after the end of each month submit a report to the National Treasury and the other national departments that have responsibilities relating to the Grant, which report must include—
- (i) expenditure and non-financial performance information on programmes funded by an allocation; and
 - (ii) an explanation of any material problems experienced by municipalities regarding an allocation that has been received and a summary of the interventions or steps taken to deal with such problems.

Part 4

Matters relating to specific Schedule 5 allocations

Gautrain Rapid Rail Link Grant

- 16.** (1) The transferring national officer of the Gautrain Rapid Rail Link Grant must, in addition to the duties contemplated in sections 10 and 33, take appropriate steps to ensure that transfers are made timely and in a manner that allows the province 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.

(2) The transferring national officer must transfer the Gautrain Rapid Rail Link allocation to the bank account designated for transfer in the dedicated banking account configuration established for the transfer of the Gautrain Rapid Rail Link allocation 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). 5

Integrated Housing and Human Settlement Development Grant

17. (1) The receiving officer must in the interest of facilitating the commencement and continued implementation of the housing programme consider advancing a portion of the allocation for the financial year, on such conditions as it may determine, to a municipality when requested to do so by the municipality. 10

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

(3) The transferring national officer must on receipt of a request referred to in subsection (2) take all necessary steps to resolve the dispute as soon as possible, but no later than 60 days after the request was received. 15

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

Part 5

Matters relating to specific Schedule 6 allocations 20

2010 FIFA World Cup Stadiums Development Grant

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

- (a) spending on stadiums in each World Cup Host City— 25
 - (i) does not exceed the amounts appropriated for that purpose on municipal budgets; and
 - (ii) are in accordance with the approved payment schedule;
- (b) the Municipal Finance Management Act is adhered to; and
- (c) expert technical, engineering and project management support necessary to ensure the construction or upgrading of the relevant stadiums are provided to the World Cup Host Cities. 30

- (2) A receiving officer must, in addition to the duties contemplated in section 12—
 - (a) ensure that the amount budgeted for the construction or upgrading of the relevant stadium and supporting infrastructure takes into account the allocation and indicative allocations for the grant set out in Column B of Schedule 6; 35
 - (b) ensure that procurement processes, contract specifications and project management activities comply with all requirements set by the transferring national officer; 40
 - (c) ensure that spending is in accordance with the approved payment schedule;
 - (d) ensure by no later than 2 June 2008, that any financial obligations of the municipality in terms of contracts and sub-contracts entered into for the construction or upgrading of the relevant stadium and supporting infrastructure are quantified and no longer negotiable; and 45
 - (e) in addition to complying with the reporting requirements set out in section 12, provide such information and reports, within the specified timeframes, to the transferring national officer as he or she may request in the performance of the duties provided for in subsection (1).

(3) (a) The transferring national officer must, after consultation with receiving officers, not later than 30 days after this Act takes effect submit a monitoring plan to the National Treasury. 50

(b) The monitoring plan must set out the key performance indicators, financial procedures, internal audit processes and monitoring and reporting mechanisms of the national department in order to ensure the effective and efficient construction or upgrading of the relevant stadiums. 55

(4) Any expenditure by a municipality on a stadium that exceeds the allocation and anticipated allocations set out in Schedule 6 must be funded from the municipal budget.

(5) In addition to the requirements of the Municipal Finance Management Act, the disposal of the stadium by the municipality prior to the completion of the 2010 FIFA Soccer World Cup event is subject to the approval of the transferring national officer and the National Treasury. 5

(6) (a) The transferring national officer and the receiving officer of a 2010 FIFA World Cup Stadiums Development Grant may enter into an agreement to further clarify the provisions of this Act and the relevant framework and to enhance the implementation of the allocation. 10

(b) Any provision of an agreement referred to in paragraph (a) that contradicts, conflicts with or purports to amend or negate the provisions of this Act, the relevant framework, any provision of the Public Finance Management Act or any provision of the Municipal Finance Management is invalid.

Part 6 15

Matters relating to specific Schedule 7 allocations

Integrated National Electrification Programme Grant

19. (a) The transferring national officer must ensure that Eskom Holdings Limited's implementation of the National Electrification Programme within a municipality is aligned with the Integrated Development Plan, prepared in accordance with the Municipal Systems Act, of that municipality. 20

(b) Eskom Holdings Limited must within 30 days after the end of each month report to the relevant municipality, the transferring national officer and the National Treasury on the amount spent on the implementation of the National Electrification Programme.

Regional Bulk Infrastructure Grant 25

20. The transferring national officer must in implementing the Regional Bulk Infrastructure Grant ensure that—

- (a) every municipality that may benefit from a specific project or scheme is invited to participate in the feasibility study to be undertaken in respect of the project or scheme, despite the fact that the municipality did not participate in submitting a motivation for that feasibility study; 30
- (b) the feasibility study takes account of the Integrated Development Plans of municipalities, prepared in accordance with the Municipal Systems Act, especially the water services development plans that form part of the Integrated Development Plans; and 35
- (c) all participating municipalities—
 - (i) agree to and understand the implications of the findings of the feasibility studies; and
 - (ii) enter into an agreement setting out their rights and obligations regarding the construction, ownership and operation of the proposed infrastructure prior to the finalisation of funding arrangements and the commencement of construction. 40

Water Services Operating Subsidy

21. (1) The transferring national officer, subsequent to the signing of a transfer agreement between the transferring national officer and the municipality for the transfer of water services assets, may with the written approval of the National Treasury adjust the Water Services Operating and Transfer Subsidy allocation to a municipality to reflect— 45

- (a) the actual personnel allocation payable to a municipality as a result of the number of staff transferred from the transferring national department to the municipality; and 50
- (b) the actual operating allocation payable to a municipality as informed by the percentage or portion of assets transferred to a municipality in respect of assets shared across municipal boundaries.

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

Part 7

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

5

Publication of allocations and frameworks

22. (1) The National Treasury must, within 14 days of this Act taking effect, publish in the *Gazette*—

- (a) the allocations per municipality for each Schedule 4, 6 or 7 allocation; and
- (b) the framework for each Schedule 4, 5, 6 and 7 allocation. 10

(2) The National Treasury must publish in the *Gazette*—

- (a) any revisions of or amendments to the allocations or frameworks published in terms of subsection (1) authorised by an adjustment budget;
- (b) any additional allocation that is authorised by an adjustment budget; or
- (c) any re-allocations by the National Treasury in accordance with section 27. 15

(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, additional allocation or re-allocation takes effect on publication thereof in the *Gazette*. 20

Frameworks for Schedule 4 allocation

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

(2) The framework referred to in subsection (1) may— 25

- (a) include a condition requiring the registration of a project with a national department or any other organ of state prior to the financial year or municipal financial year in which the project will be implemented or such later date as may be agreed upon between the transferring national officer and the receiving officer, provided that such later date may not delay or impede the commencement of that project in the relevant financial year; and 30
- (b) not include any condition—
 - (i) for a national department or any other organ of state, other than the relevant province or municipality or the National Treasury in respect of a public private partnership, to approve specific projects or budgets; or 35
 - (ii) requiring a report on spending other than the reports required in terms of section 11 or as approved by the National Treasury.

Spending in terms of purpose and subject to conditions

24. (1) Despite anything to the contrary contained in any law, an allocation referred to in Schedule 4, 5, 6 or 7 may only be utilised for the purpose stipulated in the Schedule concerned and in accordance with the framework published in terms of section 22. 40

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

- (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 22; 45
- (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 50
- (c) in the case of an advance payment or a transfer not consistent with the budget of the receiving province or municipality—

- (i) the receiving officer has certified to the National Treasury that the transfer is not an attempt to artificially inflate its spending estimates and that there are good reasons for the advance payment or transfer; and
- (ii) the National Treasury has approved the advance payment or transfer.

Withholding of allocation

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25. (1) Subject to subsections (2) and (3), a transferring national officer may withhold the transfer of a Schedule 4, 5, 6 or 7 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; 10
- (b) roll-overs of conditional allocations approved by the National Treasury in accordance with section 28 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. 15

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

(3) A transferring national officer must, seven working days or such shorter period as may be approved by the National Treasury prior to withholding an allocation in terms of subsection (1)— 20

- (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 as to why the allocation should not be withheld; and
- (b) inform the relevant provincial treasury and the National Treasury, and, in respect of the Municipal Infrastructure Grant, also the provincial department responsible for local government of its intention to withhold the allocation. 25

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

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

- (i) facilitate compliance with this Act or the conditions to which the allocation is subject; or 35
- (ii) minimise the risk of under-spending.

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

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

Stopping of allocation

26. (1) Despite section 25, the National Treasury may in its discretion or at the request of a transferring national officer stop the transfer of— 45

- (a) a Schedule 4, 5 or 6 allocation referred to in section 25(1) to a province or municipality on the grounds of persistent and material non-compliance with the provisions of this Act, or a condition to which the allocation, as provided for in the relevant framework, is subject; or
- (b) a Schedule 4, 5, 6 or 7 allocation referred to in section 25(1) if the National Treasury anticipates that a province or municipality will substantially under-spend on that programme or allocation in the financial year. 50

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

- (a) comply with section 25(3)(a), and in respect of a municipality also with section 38 of the Municipal Finance Management Act; and 55
- (b) inform the relevant provincial treasury of its intention to stop the allocation.

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

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

(b) The utilisation of funds contemplated in this subsection is a direct charge against the National Revenue Fund. 5

Re-allocation after stopping of allocation

27. (1) (a) The National Treasury may, where it stops an allocation in terms of section 26, after consultation with the transferring national officer, determine that a portion or the allocation that will not be spent be reallocated to one or more provinces or municipalities on condition that the allocation will be spent in the financial year or the next financial year. 10

(b) The re-allocation of a portion or the full allocation on condition that the allocation will be spent in the next financial year referred to in subsection (1), must be deemed to be a roll-over approved by the National Treasury in terms of section 28(2)(a). 15

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

(i) in relation to section 100, the transferring national officer to spend an allocation stopped in terms of section 26 on behalf of the relevant province; 20

(ii) in relation to section 139, the intervening province to spend an allocation stopped in terms of section 26 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 purposes of this Act, be regarded as a Schedule 7 allocation from the date on which the authorisation is given. 25

Unspent conditional allocations

28. (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 allocation, that is not spent at the end of a 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. 30

(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 35

(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.

Allocations to public entities for provision of municipal service or function

29. No public entity, other than Eskom Holdings Limited in respect of funds received from the Department of Minerals and Energy and water boards in respect of funds received from the Department of Water Affairs and Forestry for the implementation of Schedule 7 allocations, may receive funds for the provision of a municipal service or municipal function on behalf of a municipality from a national or provincial organ of state except via the municipality responsible for that service or function, unless the National Treasury approves otherwise in respect of municipalities it deems to have low capacity. 40 45

CHAPTER 4

DUTIES OF CATEGORY C MUNICIPALITIES, PROVINCIAL TREASURIES AND NATIONAL TREASURY

Duties relating to Category C municipal budgets

- 30.** (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 2008, 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 2008/09 municipal financial year, and the two following municipal financial years. 5 10
- (b) The budget must indicate all allocations to be transferred to each category B municipality within its area of jurisdiction and disclose the criteria for allocating funds between the category B municipalities.
- (2) A category C municipality must strive to ensure that it does not duplicate a function currently performed by a category B municipality, and transfer funds for infrastructure development or the provision of services to the relevant category B municipalities, taking into account any indicative allocations for such municipalities as determined or published in the *Gazette* by the National Treasury, and may only retain and spend funds directly if the category C municipality retained a power or function in terms of the Municipal Structures Act. 15 20
- (3) A category C municipality 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 on the project, and agree on which municipality is responsible for operational costs and collection of user fees. 25
- (4) 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 approved in accordance with section 24 of the Municipal Finance Management Act. 30

Duties of provincial treasuries

- 31.** (1) The provincial treasury must reflect Schedule 5 allocations separately in the province's appropriation Bill or a schedule to its appropriation Bill.
- (2) (a) The provincial treasury must on the same day that its budget is tabled in the provincial legislature or a later date approved by the National Treasury, but not later than 14 April 2008, publish the following in the *Gazette*: 35
- (i) the indicative allocation per municipality for every allocation to be made by the province to municipalities from the province's own funds;
 - (ii) the indicative allocation to be made per school in the province;
 - (iii) the indicative portion of the Integrated Housing and Human Settlement Development allocation to each municipality; 40
 - (iv) the indicative allocation to any national or provincial public entity for the implementation of a programme funded by a Schedule 5 allocation on behalf of a province or for assistance provided to the province in implementing such a programme; 45
 - (v) the envisaged division of the allocation contemplated in subparagraphs (i)-(iv), in respect of each municipality and school, for the next financial year and the 2010/11 financial year;
 - (vi) the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs; and 50
 - (vii) the budget of each hospital in a format determined by the National Treasury.
- (b) The allocations and budgets referred to in paragraph (a) must be deemed to be final if the legislature passes the appropriation Bill without any amendments.
- (c) In the event that the legislature amends the appropriation Bill the accounting officer of the provincial treasury must publish amended allocations and budgets in the *Gazette* within 14 days of legislature passing the appropriation Bill. 55

(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).

(b) The amended allocations and allocations referred to in paragraph (a) must be published in the province's budget documents that are submitted with an adjustment appropriation Bill to its legislature. 5

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

(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. 10 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—

- (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 20
- (iii) actual transfers made by the province to municipalities, and actual expenditure by municipalities on such allocations.

(b) The report contemplated in paragraph (a) must include reports for each quarter, and be in the format and include the information as may be determined by the National Treasury. 25

Duties of National Treasury

32. (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. 30

(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 36.

CHAPTER 5

35

MATTERS RELATING TO ALL ALLOCATIONS

Payment schedule

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

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

(c) Despite paragraph (a), the National Treasury may for cash management purposes relating to the corporation for public deposits account, or when an intervention in terms of section 100 of the Constitution, is taking place, on such conditions as it may determine, advance funds to a province in respect of its equitable share or a portion of it, which have not yet fallen due for transfer in accordance with the payment schedule. 45

(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. 50

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

(b) Despite paragraph (a), the National Treasury, after consultation with the accounting officer of the national department responsible for local government, may for cash management purposes in the municipality or when an intervention in terms of section 139 of the Constitution, is taking place, on such conditions as it may determine, 55

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.

(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. 5

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

(b) (i) The transferring national officer of a Schedule 4, 5 or 6 allocation, other than the Neighbourhood Development Partnership Grant, must submit a payment schedule to the National Treasury for approval before 14 April 2008. 10

(ii) The transferring national officer of the Neighbourhood Development Partnership Grant must, in respect of each municipality to which a transfer is to be made under the Grant, submit a payment schedule to the National Treasury for its approval at least 14 days prior to any transfer being made. 15

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

- (i) in relation to a Schedule 4 allocation, consult the relevant receiving officer;
- (ii) in relation to the Gautrain Rapid Rail Link allocation, ensure that the payment schedule— 20

(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 subparagraph (aa) payable from the allocation; and 25

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

(4) The transferring national officer of a Schedule 4, 5 or 6 allocation must provide the receiving officer with a copy of the approved payment schedule prior to making the first transfer in accordance therewith. 30

Amendment of payment schedule

34. (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 25 or 26, amend a payment schedule as a result of the withholding or stopping of an allocation in terms of this Act. 35

(2) The National Treasury may, in the interest of better debt and cash-flow management or to deal with financial mismanagement or slow 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 40

- (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— 45

- (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). 50

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

Transfers made in error

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

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

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

Allocations not listed in Schedules 5

36. (1) An allocation, other than a re-allocation referred to in section 27, not listed in the Schedules referred to in sections 7 and 8 may only be made in terms of section 6(3).

(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.

Allocations in emergency situations 10

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

(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 15

(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.

(2) The relevant treasury must publish any allocation and the conditions subject to which the allocations were made, if any, in the *Gazette*. 20

Implementation of changes to power or function of municipality

38. Despite anything to the contrary contained in any law, the effective date of any changes to the powers and functions of a municipality effected in terms of section 84(3) or 85 of the Municipal Structures Act that impacts on the allocations made under this Act take effect at the commencement of the Division of Revenue Act for the next financial year only. 25

Preparations for next financial year and 2010/11 municipal financial year

39. (1) (a) The receiving officer of an Infrastructure Grant to Provinces must, by 30 June 2008, submit detailed infrastructure plans in a format determined by the National Treasury, to the provincial treasury. 30

(b) The infrastructure plans must indicate the prioritised projects to be funded from the allocations for the next financial year and the 2010/11 financial year as set out in column B of Schedule 4.

(c) The provincial treasury must— 35

(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 29 August 2008, together with the provincial budget submission;

(ii) ensure that the infrastructure budgets of the receiving departments include an allocation for project design and initiation of procurement for projects to be implemented in the next financial year and the 2010/11 financial year, and that infrastructure budgets are aligned with cash flow requirements of the planned projects in a given year; and 40

(iii) ensure that the infrastructure budgets of the receiving departments make adequate provision for operations and maintenance associated with newly constructed or upgraded infrastructure. 45

(2) (a) The receiving officer of a Municipal Infrastructure Grant must, by 29 August 2008, submit a detailed infrastructure plan to the transferring national officer for the next financial year and the 2010/11 financial year. 50

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

(c) Different matters and formats may be determined for different kinds of municipalities, which may be defined either in relation to the capacity of municipalities, categories, types or budgetary size of municipalities or in any other appropriate manner.

(3) (a) The receiving officer of an Integrated Housing and Human Settlement Development allocation must, using the envisaged conditional allocations to that province for the next financial year and the 2010/11 financial year as set out in Column B of Schedule 5, by 1 October 2008—

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

(ii) submit to the transferring national officer—

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

(bb) the prioritised projects referred to in subparagraph (i) listed per municipality to be funded from the allocations for the next financial year and the 2010/11 financial year; and

(cc) a housing development plan indicating how the projects referred to in paragraph (ii) gives effect to the Integrated Development Plan of each municipality.

(b) The National Treasury may identify the municipalities referred to in paragraph (a)(i) if the transferring national officer has not done so by 1 August 2008.

(c) Where a municipality and receiving officer cannot agree on the allocations and projects referred to in subsection (3)(a), the receiving officer must request the transferring national officer to facilitate agreement.

(d) The transferring national officer must take all necessary steps to facilitate agreement as soon as possible, but no later than 60 days after receiving a request.

(e) Any proposed amendment or adjustment of the allocations published in terms of section 31 must be agreed with the relevant municipality, transferring national officer and the National Treasury prior to the submission of the allocations referred to in paragraph (a)(ii).

(4) (a) The transferring national officer of a conditional allocation, using the envisaged conditional allocations for the next financial year and the 2010/11 financial year as set out in Column B of the Schedules to this Act, must, by 31 July 2008 submit to the National Treasury for approval—

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

(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.

(b) Any proposed amendment or adjustment of the allocation criteria of an existing conditional allocation from the financial year to the next financial year must be agreed with the National Treasury prior to the submission of the provisional allocations and draft frameworks referred to in paragraph (a)(ii) and (iii).

(c) (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 8 December 2008.

(ii) If the transferring national officer fails to submit the allocations referred to in subparagraph (i) by 8 December 2008, the National Treasury may make recommendations on appropriate allocations, taking into consideration the envisaged allocations for the next financial year.

(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 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, 2009

40. 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 2009, 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.

CHAPTER 6

GENERAL

Allocations by public entities to provinces or municipalities 5

41. 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 co-operative governance and intergovernmental relations 10

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

(2) In the event that a dispute is referred back by a court in accordance with section 41(4) of the Constitution, due to the court not being satisfied that the organ of state approaching the court has complied with subsection (1), the expenditure incurred by that organ of state in approaching the court must be regarded as fruitless and wasteful. 20

(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

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

- (a) A transfer prohibited in terms of section 24(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 the primary bank account, or, in respect of provinces, a corporation for public deposits account. 30

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

Financial misconduct 35

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

(2) Section 84 of the Public Finance Management Act and section 171(4) of the Municipal Finance Management Act apply in respect of financial misconduct in terms of subsection (1). 40

Delegations and assignments

45. (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
- (c) does not divest the National Treasury of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty. 50

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

Exemptions

46. (1) The National Treasury may, on written application by a transferring national officer, exempt such officer in writing from complying with a provision of this Act. 5

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

Regulations

47. The Minister may, by notice in the *Gazette*, make regulations regarding— 10

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

Repeal of laws 15

48. (1) Subject to subsection (2), the Division of Revenue Act, 2007 (Act No. 1 of 2007), is hereby repealed.

(2) The repeal of the Division of Revenue Act, 2007, does not affect any duty or obligation set out in that Act, the execution of which is still outstanding.

Short title and commencement 20

49. This Act is called the Division of Revenue Act, 2008, and takes effect on 1 April 2008 or the date of publication thereof by the President in the *Gazette*, whichever is the later date.

SCHEDULE 1

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

Spheres of Government	Column A	Column B	
	2008/09 Allocation	Forward Estimates	
		2009/10	2010/11
	R'000	R'000	R'000
National ^{1,2}	386 830 244	425 984 130	462 167 873
Provincial	199 376 977	225 466 314	246 306 198
Local	24 888 685	30 155 606	36 196 067
TOTAL	611 095 906	681 606 050	744 670 138

1. National share includes conditional allocations to provincial and local spheres, debt service cost and the contingency reserve.

2. The direct charges for the provincial equitable share are netted out.

SCHEDULE 2

DETERMINATION OF EACH PROVINCE'S EQUITABLE SHARE OF THE PROVINCIAL SPHERE'S SHARE OF REVENUE RAISED NATIONALLY (as a direct charge against the National Revenue Fund)

Province	Column A	Column B	
	2008/09 Allocation	Forward Estimates	
		2009/10	2010/11
	R'000	R'000	R'000
Eastern Cape	31 383 310	35 343 194	38 445 639
Free State	12 412 932	13 932 016	15 104 011
Gauteng	33 063 829	37 638 346	41 383 711
KwaZulu-Natal	43 245 643	49 022 008	53 678 048
Limpopo	25 934 942	29 252 084	31 868 841
Mpumalanga	16 435 956	18 562 376	20 250 300
Northern Cape	5 340 965	6 027 867	6 571 247
North West	13 820 620	15 499 746	16 790 006
Western Cape	17 738 780	20 188 677	22 214 395
TOTAL	199 376 977	225 466 314	246 306 198

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	
			2008/09 Allocation	Forward Estimates	
				2009/10	2010/11
			R'000	R'000	R'000
EASTERN CAPE					
A		Nelson Mandela	682 450	829 237	979 735
B	EC101	Camdeboo	17 323	21 633	26 848
B	EC102	Blue Crane Route	18 501	23 076	28 610
B	EC103	Ikwezi	6 969	8 646	10 673
B	EC104	Makana	32 413	40 476	50 232
B	EC105	Ndlambe	26 806	33 480	41 554
B	EC106	Sundays River Valley	15 208	18 925	23 420
B	EC107	Baviaans	7 234	8 986	11 105
B	EC108	Kouga	23 727	29 748	37 036
B	EC109	Koukamma	13 363	16 682	20 696
C	DC10	Cacadu District Municipality	57 378	63 456	68 587
Total: Cacadu Municipalities			218 921	265 108	318 761
B	EC121	Mbhashe	46 051	57 143	70 548
B	EC122	Mnquma	66 083	82 141	101 554
B	EC123	Great Kei	13 913	17 288	21 367
B	EC124	Amahlathi	40 002	49 707	61 440
B	EC125	Buffalo City	310 257	389 903	486 349
B	EC126	Ngqushwa	27 238	33 818	41 772
B	EC127	Nkonkobe	41 861	52 020	64 302
B	EC128	Nxuba	9 437	11 739	14 522
C	DC12	Amatole District Municipality	341 446	398 251	469 159
Total: Amatole Municipalities			896 286	1 092 009	1 331 015
B	EC131	Inxuba Yethemba	18 882	23 567	29 235
B	EC132	Tsolwana	11 077	13 705	16 880
B	EC133	Inkwanca	7 924	9 834	12 142
B	EC134	Lukhanji	50 038	62 285	77 093
B	EC135	Intsika Yethu	40 724	50 441	62 182
B	EC136	Emalahleni	30 036	37 235	45 935
B	EC137	Engcobo	27 768	34 454	42 535
B	EC138	Sakhisizwe	15 807	19 665	24 330
C	DC13	Chris Hani District Municipality	178 886	220 149	270 770
Total: Chris Hani Municipalities			381 140	471 334	581 103
B	EC141	Elundini	29 796	36 943	45 580
B	EC142	Senqu	38 299	47 626	58 903
B	EC143	Maletswai	10 260	12 775	15 816
B	EC144	Gariep	11 174	13 923	17 248
C	DC14	Ukhahlamba District Municipality	80 694	98 716	120 661
Total: Ukhahlamba Municipalities			170 223	209 983	258 207
B	EC151	Mbizana	44 705	55 389	68 297
B	EC152	Ntabankulu	24 997	30 952	38 148
B	EC153	Qaukeni	43 632	54 106	66 765
B	EC154	Port St. Johns	26 571	32 906	40 560
B	EC155	Nyandeni	51 832	64 362	79 509
B	EC156	Mhlontlo	39 873	49 500	61 137
B	EC157	King Sabata Dalindyebo	74 217	92 960	115 646
C	DC15	O.R. Tambo District Municipality	260 795	319 027	390 008
Total: O.R Tambo Municipalities			566 621	699 203	860 071
B	EC05b2	Umzimvubu	42 089	52 234	64 495
B	EC05b3	Matatiele	42 535	52 790	65 186
C	DC44	Alfred Nzo District Municipality	79 948	97 936	119 825
Total: Alfred Nzo Municipalities			164 573	202 960	249 505
Total: Eastern Cape Municipalities			3 080 214	3 769 833	4 578 398

SCHEDULE 3

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

NumberMunicipality			National Financial Year		
			Column A	Column B	
			2008/09 Allocation	Forward Estimates	
2009/10	2010/11				
FREE STATE					
B	FS161	Letsemeng	23 993	29 959	37 176
B	FS162	Kopanong	42 962	53 662	66 608
B	FS163	Mohokare	24 308	30 313	37 577
C	DC16	Xhariep District Municipality	9 614	11 388	12 931
Total: Xhariep Municipalities			100 877	125 322	154 292
B	FS171	Naledi	17 741	22 123	27 422
B	FS172	Mangaung	291 774	367 948	460 236
B	FS173	Mantsopa	32 016	39 958	49 565
C	DC17	Motheo District Municipality	124 796	143 578	152 388
Total: Motheo Municipalities			466 326	573 606	689 612
B	FS181	Masilonyana	39 184	48 910	60 675
B	FS182	Tokologo	20 408	25 444	31 536
B	FS183	Tswelopele	28 944	36 109	44 776
B	FS184	Matjhabeng	214 623	269 779	336 572
B	FS185	Nala	66 428	82 933	102 900
C	DC18	Lejweleputswa District Municipality	75 838	83 824	90 465
Total: Lejweleputswa Municipalities			445 425	546 999	666 925
B	FS191	Setsoto	79 416	99 133	122 986
B	FS192	Dihlabeng	62 998	78 687	97 667
B	FS193	Nketoana	37 026	46 183	57 258
B	FS194	Maluti-a-Phofung	159 108	199 070	247 432
B	FS195	Phumelela	26 274	32 763	40 610
C	DC19	Thabo Mofutsanyana District Municipality	47 302	53 348	59 073
Total: Thabo Mofutsanyana Municipalities			412 124	509 183	625 027
B	FS201	Moqhaka	79 807	99 744	123 868
B	FS203	Ngwathe	75 146	93 768	116 296
B	FS204	Metsimaholo	48 062	60 544	75 664
B	FS205	Mafube	36 720	45 809	56 803
C	DC20	Fezile Dabi District Municipality	103 872	116 860	123 296
Total: Fezile Dabi Municipalities			343 606	416 725	495 927
Total: Free State Municipalities			1 768 359	2 171 836	2 631 783

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 2008/09 Allocation	Column B	
			Forward Estimates	
			2009/10	2010/11
GAUTENG				
A	Ekurhuleni	1 672 510	2 031 013	2 452 495
A	City of Johannesburg	3 038 829	3 655 318	4 259 464
A	City of Tshwane	1 303 064	1 499 852	1 723 285
B	GT02b1 Nokeng tsa Taemane	17 106	21 508	26 839
B	GT02b2 Kungwini	42 270	53 114	66 245
C	DC46 Metsweding District Municipality	21 173	23 546	25 645
Total: Metsweding Municipalities		80 549	98 169	118 729
B	GT421 Emfuleni	292 538	368 995	461 628
B	GT422 Midvaal	23 640	29 811	37 287
B	GT423 Lesedi	29 280	36 664	45 602
C	DC42 Sedibeng District Municipality	186 955	202 955	213 850
Total: Sedibeng Municipalities		532 412	638 425	758 367
B	GT481 Mogale City	101 826	129 269	162 546
B	GT482 Randfontein	45 594	57 374	71 641
B	GT483 Westonaria	45 210	56 882	71 018
C	DC48 West Rand District Municipality	123 421	143 368	151 903
Total: West Rand Municipalities		316 051	386 893	457 109
Total: Gauteng Municipalities		6 943 416	8 309 669	9 769 449

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	
		2008/09 Allocation	Forward Estimates	
			2009/10	2010/11
KWAZULU-NATAL				
A	eThekweni	1 607 638	1 960 921	2 373 311
B	KZ211 Vulamehlo	14 529	18 002	22 197
B	KZ212 Umdoni	12 457	15 511	19 205
B	KZ213 Umzumbe	35 860	44 459	54 851
B	KZ214 uMuziwabantu	17 913	22 251	27 496
B	KZ215 Ezingolweni	10 599	13 162	16 259
B	KZ216 Hibiscus Coast	42 816	53 822	67 151
C	DC21 Ugu District Municipality	131 123	158 906	192 730
Total: Ugu Municipalities		265 297	326 113	399 890
B	KZ221 uMshwathi	23 715	29 480	36 448
B	KZ222 uMngeni	16 945	21 287	26 545
B	KZ223 Mpofana	9 674	12 070	14 967
B	KZ224 Impendle	9 547	11 829	14 587
B	KZ225 Msunduzi	176 117	222 027	277 647
B	KZ226 Mkhambathini	11 993	14 880	18 369
B	KZ227 Richmond	12 550	15 591	19 268
C	DC22 uMgungundlovu District Municipality	188 295	217 318	253 589
Total: uMgungundlovu Municipalities		448 836	544 482	661 420
B	KZ232 Emnambithi/Ladysmith	49 193	61 373	76 108
B	KZ233 Indaka	25 733	31 959	39 486
B	KZ234 Umtshezi	13 266	16 543	20 505
B	KZ235 Okhahlamba	25 971	32 268	39 880
B	KZ236 Imbabazane	27 647	34 329	42 406
C	DC23 Uthukela District Municipality	128 819	156 644	190 641
Total: Uthukela Municipalities		270 628	333 116	409 026
B	KZ241 Endumeni	12 236	15 316	19 043
B	KZ242 Nquthu	28 124	34 904	43 099
B	KZ244 Msinga	27 748	34 341	42 306
B	KZ245 Umvoti	17 700	22 001	27 201
C	DC24 Umzinyathi District Municipality	85 342	104 049	126 881
Total: Umzinyathi Municipalities		171 150	210 611	258 530
B	KZ252 Newcastle	135 603	170 044	211 737
B	KZ253 eMadlangeni	5 750	7 103	8 738
B	KZ254 Dannhauser	20 226	25 093	30 975
C	DC25 Amajuba District Municipality	57 718	66 179	76 871
Total: Amajuba Municipalities		219 296	268 418	328 321
B	KZ261 eDumbe	15 504	19 283	23 852
B	KZ262 uPhongolo	25 378	31 573	39 065
B	KZ263 Abaqulusi	33 620	41 796	51 680
B	KZ265 Nongoma	29 201	36 190	44 635
B	KZ266 Ulundi	33 402	41 395	51 055
C	DC26 Zululand District Municipality	127 541	156 494	191 114
Total: Zululand Municipalities		264 645	326 731	401 401

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 2008/09 Allocation	Column B	
			Forward Estimates	
			2009/10	2010/11
B	KZ271	Umhlabuyalingana	21 427	32 693
B	KZ272	Jozini	29 006	44 310
B	KZ273	The Big Five False Bay	5 871	8 899
B	KZ274	Hlabisa	23 311	35 377
B	KZ275	Mtubatuba	7 156	10 992
C	DC27	Umkhanyakude District Municipality	84 528	127 884
Total: Umkhanyakude Municipalities		171 300	211 640	260 155
B	KZ281	Mbonambi	18 233	27 808
B	KZ282	uMhlathuze	88 852	139 467
B	KZ283	Ntambanana	8 607	13 055
B	KZ284	Umlalazi	34 395	52 578
B	KZ285	Mthonjaneni	10 735	16 492
B	KZ286	Nkandla	20 635	31 433
C	DC28	uThungulu District Municipality	181 102	255 484
Total: uThungulu Municipalities		362 558	442 044	536 318
B	KZ291	Mandeni	28 607	44 021
B	KZ292	KwaDukuza	32 191	51 215
B	KZ293	Ndwedwe	25 709	39 250
B	KZ294	Maphumulo	19 876	30 382
C	DC29	iLembe District Municipality	120 426	172 844
Total: iLembe Municipalities		226 809	276 767	337 712
B	KZ5a1	Ingwe	20 734	31 746
B	KZ5a2	Kwa Sani	5 281	8 052
B	KZ5a4	Greater Kokstad	21 540	33 481
B	KZ5a5	Ubuhlebezwe	20 939	32 028
B	KZ5a6	Umkhulu	34 815	53 389
C	DC43	Sisonke District Municipality	100 030	149 735
Total: Sisonke Municipalities		203 338	250 827	308 431
Total: KwaZulu-Natal Municipalities		4 211 497	5 151 670	6 274 515

SCHEDULE 3

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

			National Financial Year		
			Column A	Column B	
			2008/09 Allocation	Forward Estimates	
2009/10	2010/11				
Number	Municipality				
LIMPOPO					
B	NP03a2	Makhuduthamaga	61 873	76 828	94 904
B	NP03a3	Fetakgomo	19 499	24 113	29 687
B	NP03a4	Greater Marble Hall	29 844	37 110	45 894
B	NP03a5	Elias Motsoaledi	57 241	71 109	87 874
B	NP03a6	Greater Tubatse	54 989	68 289	84 365
C	DC47	Greater Sekhukhune District Municipality	176 450	216 527	264 082
Total: Greater Sekhukhune District Municipalities			399 896	493 975	606 806
B	NP331	Greater Giyani	57 483	71 405	88 235
B	NP332	Greater Letaba	57 607	71 624	88 571
B	NP333	Greater Tzaneen	87 601	109 733	136 521
B	NP334	Ba-Phalaborwa	27 308	34 018	42 133
B	NP335	Maruleng	22 727	28 201	34 816
C	DC33	Mopani District Municipality	234 250	287 983	349 878
Total: Mopani Municipalities			486 976	602 965	740 154
B	NP341	Musina	13 741	17 154	21 283
B	NP342	Mutale	17 601	21 790	26 850
B	NP343	Thulamela	114 676	143 526	178 441
B	NP344	Makhado	104 655	131 049	162 994
C	DC34	Vhembe District Municipality	237 300	290 911	356 205
Total: Vhembe Municipalities			487 972	604 429	745 774
B	NP351	Blouberg	34 916	43 352	53 549
B	NP352	Aganang	32 311	40 032	49 360
B	NP353	Molemole	32 652	40 594	50 197
B	NP354	Polokwane	181 350	227 414	283 177
B	NP355	Lepelle-Nkumpi	54 006	67 103	82 936
C	DC35	Capricorn District Municipality	212 584	256 318	308 718
Total: Capricorn Municipalities			547 819	674 812	827 936
B	NP361	Thabazimbi	26 516	33 193	41 273
B	NP362	Lephalale	42 528	53 081	65 848
B	NP364	Mookgopong	10 955	13 679	16 975
B	NP365	Modimolle	26 553	33 212	41 272
B	NP366	Bela Bela	21 519	26 871	33 346
B	NP367	Mogalakwena	113 777	142 366	176 963
C	DC36	Waterberg District Municipality	67 436	78 867	84 868
Total: Waterberg Municipalities			309 284	381 269	460 545
Total: Limpopo Municipalities			2 231 947	2 757 451	3 381 214

SCHEDULE 3

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

			National Financial Year		
			Column A	Column B	
				Forward Estimates	
Number	Municipality		2008/09 Allocation	2009/10	2010/11
MPUMALANGA					
B	MP301	Albert Luthuli	70 901	88 310	109 364
B	MP302	Msukaligwa	49 619	61 954	76 878
B	MP303	Mkhondo	43 801	54 595	67 651
B	MP304	Pixley Ka Seme	39 682	49 468	61 304
B	MP305	Lekwa	37 477	46 846	58 181
B	MP306	Dipaleseng	21 156	26 363	32 660
B	MP307	Govan Mbeki	95 540	120 456	150 641
C	DC30	Gert Sibande District Municipality	197 878	227 431	239 050
Total: Gert Sibande Municipalities			556 055	675 423	795 728
B	MP311	Delmas	24 341	30 397	37 725
B	MP312	Emalahleni	88 061	111 445	139 789
B	MP313	Steve Tshwete	45 132	56 925	71 213
B	MP314	Emakhazeni	16 869	21 028	26 058
B	MP315	Thembisile	101 113	125 986	156 068
B	MP316	Dr JS Moroka	105 896	131 799	163 121
C	DC31	Nkangala District Municipality	248 018	269 884	283 449
Total: Nkangala Municipalities			629 431	747 465	877 423
B	MP321	Thaba Chweu	35 153	43 953	54 600
B	MP322	Mbombela	145 156	182 235	227 129
B	MP323	Umjindi	21 676	27 121	33 711
B	MP324	Nkomazi	116 185	145 369	180 686
B	MP325	Bushbuckridge	198 574	247 682	307 083
C	DC32	Ehlanzeni District Municipality	134 181	153 955	165 543
Total: Ehlanzeni Municipalities			650 925	800 314	968 751
Total: Mpumalanga Municipalities			1 836 411	2 223 201	2 641 903

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
			2008/09 Allocation	Forward Estimates
				2009/10 2010/11
NORTHERN CAPE				
B	NC451	Moshaweng	28 306	35 157 43 439
B	NC452	Ga-Segonyana	28 741	35 804 44 345
B	NC453	Gammagara	9 624	12 043 14 971
C	DC45	Kgalagadi District Municipality	36 816	43 220 47 862
Total: Kgalagadi Municipalities			103 486	126 224 150 617
B	NC061	Richtersveld	5 629	6 983 8 619
B	NC062	Nama Khoi	15 964	19 922 24 710
B	NC064	Kamiesberg	5 660	7 005 8 630
B	NC065	Hantam	9 324	11 607 14 368
B	NC066	Karoo Hoogland	6 109	7 551 9 294
B	NC067	Khai-Ma	5 753	7 113 8 756
C	DC6	Namakwa District Municipality	24 150	27 068 29 038
Total: Namakwa Municipalities			72 590	87 250 103 414
B	NC071	Ubuntu	8 376	10 413 12 876
B	NC072	Umsobomvu	14 114	17 565 21 738
B	NC073	Emthanjeni	16 873	21 022 26 039
B	NC074	Kareeberg	5 505	6 826 8 421
B	NC075	Renosterberg	6 817	8 429 10 377
B	NC076	Thembelihle	6 461	8 004 9 870
B	NC077	Siyathemba	9 253	11 514 14 248
B	NC078	Siyancuma	15 278	19 062 23 639
C	DC7	Karoo District Municipality	20 251	22 742 25 091
Total: Karoo Municipalities			102 930	125 578 152 299
B	NC081	Mier	4 098	5 051 6 201
B	NC082	!Kai! Garib	20 611	25 810 32 102
B	NC083	//Khara Hais	25 084	31 408 39 061
B	NC084	!Kheis	7 066	8 752 10 789
B	NC085	Tsantsabane	10 909	13 569 16 786
B	NC086	Kgatelopele	6 791	8 461 10 481
C	DC8	Siyanda District Municipality	35 313	39 303 42 837
Total: Siyanda Municipalities			109 873	132 354 158 256
B	NC091	Sol Plaatje	74 953	94 526 118 238
B	NC092	Dikgatlong	20 599	25 646 31 749
B	NC093	Magareng	13 506	16 807 20 798
B	NC094	Phokwane	29 679	37 058 45 984
C	DC9	Frances Baard District Municipality	61 860	67 888 75 879
Total: Frances Baard Municipalities			200 597	241 924 292 649
Total: Northern Cape Municipalities			589 476	713 331 857 235

SCHEDULE 3

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

			National Financial Year		
			Column A	Column B	
			2008/09 Allocation	Forward Estimates	
2009/10	2010/11				
Number	Municipality				
NORTH WEST					
B	NW371	Moretele	68 138	84 735	104 801
B	NW372	Madibeng	127 140	159 482	198 636
B	NW373	Rustenburg	120 647	152 241	190 522
B	NW374	Kgetlengrivier	19 271	24 041	29 812
B	NW375	Moses Kotane	104 740	130 524	161 709
C	DC37	Bojanala Platinum District Municipality	189 492	211 744	224 791
Total: Bojanala Platinum Municipalities			629 427	762 768	910 270
B	NW381	Ratlou	28 298	35 140	43 411
B	NW382	Tswaing	27 635	34 380	42 535
B	NW383	Mafikeng	54 530	68 447	85 295
B	NW384	Ditsobotla	34 760	43 299	53 626
B	NW385	Ramotshere Moiloa	34 613	43 021	53 186
C	DC38	Ngaka Modiri Moiloa District Municipality	216 811	256 902	306 484
Total: Central Municipalities			396 646	481 188	584 536
B	NW391	Kagisano	24 648	30 598	37 791
B	NW392	Naledi	15 713	19 595	24 291
B	NW393	Mamusa	14 088	17 542	21 718
B	NW394	Greater Taung	42 124	52 235	64 455
B	NW395	Molopo	5 145	6 323	7 745
B	NW396	Lekwa-Teemane	12 573	15 679	19 436
C	DC39	Bophirima District Municipality	107 037	130 329	158 748
Total: Bophirima Municipalities			221 328	272 302	334 185
B	NW401	Ventersdorp	20 949	26 119	32 373
B	NW402	Tlokwe	42 142	53 239	66 687
B	NW403	City of Matlosana	166 985	210 302	262 772
B	NW404	Maquassi Hills	35 007	43 695	54 207
B	NW405	Merafong City	81 879	104 096	131 042
C	DC40	Southern District Municipality	123 245	141 453	150 989
Total: Southern Municipalities			470 207	578 905	698 070
Total: North West Municipalities			1 717 608	2 095 162	2 527 061

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
			2008/09 Allocation	Forward Estimates
				2009/10 2010/11
WESTERN CAPE				
A	City of Cape Town		1 710 485	2 006 263 2 416 935
B	WC011	Matzikama	15 767	19 808 24 702
B	WC012	Cederberg	12 993	16 227 20 140
B	WC013	Berggrivier	11 166	14 009 17 450
B	WC014	Saldanha Bay	18 143	22 915 28 698
B	WC015	Swartland	13 363	16 892 21 168
C	DC1	West Coast District Municipality	58 664	64 272 68 565
Total: West Coast Municipalities			130 096	154 124 180 723
B	WC022	Witzenberg	21 829	27 339 34 008
B	WC023	Drakenstein	36 541	46 746 59 132
B	WC024	Stellenbosch	22 124	28 501 36 249
B	WC025	Breede Valley	32 463	41 145 51 672
B	WC026	Breede River Winelands	24 801	31 071 38 659
C	DC2	Cape Winelands District Municipality	167 588	186 787 196 238
Total: Cape Winelands Municipalities			305 347	361 589 415 957
B	WC031	Theewaterskloof	25 681	32 229 40 158
B	WC032	Overstrand	19 231	24 200 30 219
B	WC033	Cape Agulhas	8 544	10 690 13 287
B	WC034	Swellendam	9 564	11 926 14 781
C	DC3	Overberg District Municipality	33 785	37 184 39 948
Total: Overberg Municipalities			96 804	116 229 138 393
B	WC041	Kannaland	9 473	11 782 14 573
B	WC042	Hessequa	13 896	17 371 21 576
B	WC043	Mossel Bay	21 178	26 641 33 257
B	WC044	George	37 048	47 099 59 290
B	WC045	Oudtshoorn	21 165	26 478 32 908
B	WC047	Bitou	12 297	15 407 19 171
B	WC048	Knysna	16 522	20 750 25 869
C	DC4	Eden District Municipality	101 621	118 271 125 799
Total: Eden Municipalities			233 200	283 800 332 444
B	WC051	Laingsburg	4 313	5 314 6 522
B	WC052	Prince Albert	4 826	5 957 7 323
B	WC053	Beaufort West	13 701	17 072 21 149
C	DC5	Central Karoo District Municipality	10 986	13 106 15 062
Total: Central Karoo Municipalities			33 825	41 449 50 057
Total: Western Cape Municipalities			2 509 758	2 963 453 3 534 510
National Total			24 888 685	30 155 606 36 196 067

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	
					2008/09 Allocation	Forward Estimates	
					2009/10	2010/11	
Agriculture (Vote 23)	Comprehensive Agricultural Support Programme Grant	To expand the provision of agricultural support services, and promote and facilitate agricultural development by targeting beneficiaries of the Land and Agrarian Reform programmes.	General conditional allocation to provinces	Eastern Cape	R'000	R'000	R'000
				Free State	90 018	105 729	127 384
				Gauteng	49 089	57 676	69 489
				KwaZulu-Natal	25 329	29 729	35 818
				Limpopo	88 037	103 443	124 629
				Mpumalanga	81 103	95 293	114 810
				Northern Cape	53 019	62 272	75 026
				North West	36 807	43 246	52 103
				Western Cape	68 432	80 390	96 855
				TOTAL	43 084	50 632	61 001
Health (Vote 14)	(a) Health Professions Training and Development Grant	Support provinces to fund costs associated with training of health professionals; development and recruitment of medical specialists in under-served provinces; and support and strengthen undergraduate and post graduate teaching and training processes in health facilities.	Nationally assigned function to provinces	Eastern Cape	534 918	628 410	757 115
				Free State	140 641	151 362	160 444
				Gauteng	102 000	110 755	117 400
				KwaZulu-Natal	610 828	614 812	651 701
				Limpopo	212 092	222 425	235 771
				Mpumalanga	79 834	88 759	94 085
				Northern Cape	59 935	71 839	76 149
				North West	45 278	58 304	61 802
				Western Cape	68 977	78 608	83 324
				TOTAL	356 414	362 935	384 711
	(b) National Tertiary Services Grant	To compensate provinces for the supra-provincial nature of tertiary services provision and spill over effects; and to provide strategic funding to enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform in line with national policy objectives including improving access and equity.	Nationally assigned function to provinces	Eastern Cape	1 675 999	1 759 799	1 865 387
				Free State	468 088	507 595	550 750
				Gauteng	545 350	595 685	651 410
				KwaZulu-Natal	2 186 619	2 319 920	2 531 965
				Limpopo	903 297	980 406	1 090 250
				Mpumalanga	150 168	176 325	255 097
				Northern Cape	66 621	81 117	90 858
				North West	152 120	172 618	223 776
				Western Cape	117 317	133 932	177 595
				TOTAL	1 486 054	1 566 333	1 731 376
				TOTAL	6 075 634	6 533 931	7 303 077

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		
					2008/09 Allocation	Forward Estimates		
						2009/10	2010/11	
National Treasury (Vote 7)	Infrastructure Grant to Provinces	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education, roads, health and agriculture; to enhance the application of labour intensive methods in order to maximise job creation and skills development as encapsulated in the EPWP guidelines; and to enhance capacity to deliver infrastructure.	General conditional allocation to provinces	Eastern Cape	R'000	R'000	R'000	
				Free State	1 317 909	1 597 485	1 827 967	
				Gauteng	569 278	689 559	788 494	
				KwaZulu-Natal	606 206	740 683	854 294	
				Limpopo	1 560 290	1 895 075	2 172 843	
				Mpumalanga	1 076 297	1 305 175	1 494 121	
				Northern Cape	572 244	694 144	794 875	
				North West	390 161	473 404	542 252	
				Western Cape	641 035	776 334	887 553	
				TOTAL	513 287	624 848	718 068	
					7 246 707	8 796 707	10 080 467	

SCHEDULE 4

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

Vote	Name of allocation	Purpose	Column A	Column B	
			2008/09 Allocation	Forward Estimates	
				2009/10	2010/11
Provincial and Local Government (Vote 29)	Municipal Infrastructure Grant	To supplement capital finance for basic municipal infrastructure for poor households, micro enterprises and social institutions.	R'000 8 657 090	R'000 10 330 230	R'000 11 678 044
		TOTAL	8 657 090	10 330 230	11 678 044

SCHEDULE 5
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2008/09 Allocation	Forward Estimates	
						2009/10	2010/11
Agriculture (Vote 23)	Land Care Programme Grant: Poverty Relief and Infrastructure Development	To optimise productivity and sustainable use of natural resources to ensure greater productivity, food security, job creation and better quality of life for all.	Conditional allocation	Eastern Cape	R'000	R'000	R'000
				Free State	7 345	8 227	8 721
				Gauteng	3 428	4 113	4 360
				KwaZulu-Natal	3 428	3 599	3 815
				Limpopo	7 345	8 227	8 721
				Mpumalanga	8 325	7 713	8 176
				Northern Cape	4 407	4 627	4 904
				North West	6 366	5 656	5 995
				Western Cape	4 897	6 170	6 540
				TOTAL	3 428	3 085	3 270
Arts and Culture (Vote 12)	Community Library Services Grant	To enable communities to gain access to knowledge and information that will improve their social, economic and political situation.	Conditional allocation	Eastern Cape	48 969	51 417	54 502
				Free State	42 588	55 516	62 239
				Gauteng	30 927	40 315	45 197
				KwaZulu-Natal	35 321	46 043	51 619
				Limpopo	26 195	34 146	38 282
				Mpumalanga	42 926	55 956	62 733
				Northern Cape	42 926	55 956	62 733
				North West	45 123	58 820	65 944
				Western Cape	40 560	52 872	59 275
				TOTAL	31 434	40 976	45 938
Education (Vote 13)	(a) Further Education and Training College Sector Recapitalisation Grant	The FET recapitalisation programme seeks to increase the number of students enrolled in high priority skills vocational programmes that lead to higher education or employment by providing the essential infrastructure, equipment, learning material and human resources required to deliver skills programmes.	Conditional allocation	Eastern Cape	338 000	440 600	493 960
				Free State	115 506	-	-
				Gauteng	52 200	-	-
				KwaZulu-Natal	167 156	-	-
				Limpopo	162 974	-	-
				Mpumalanga	111 646	-	-
				Northern Cape	39 099	-	-
				North West	7 620	-	-
				Western Cape	61 494	-	-
				TOTAL	77 305	-	-
				TOTAL	795 000	-	-

SCHEDULE 5
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2008/09 Allocation	Forward Estimates	
					2009/10	2010/11	
Education (Vote 13)	(b) HIV and Aids (Life Skills Education) Grant	To coordinate and support the structured integration of life skills and HIV and Aids programmes across all learning areas in the school curriculum.	Conditional allocation	Eastern Cape	R'000	R'000	R'000
				Free State	28 542	30 168	32 156
				Gauteng	9 800	10 341	10 719
				KwaZulu-Natal	23 886	25 253	27 078
				Limpopo	37 610	39 765	42 686
				Mpumalanga	24 495	25 882	27 454
				Northern Cape	13 848	14 626	15 420
				North West	3 648	3 828	3 573
				Western Cape	12 229	12 912	13 539
				TOTAL	13 847	14 626	15 420
					167 905	177 401	188 045
	(c) National School Nutrition Programme Grant	To contribute to enhanced learning capacity through school feeding.	Conditional allocation	Eastern Cape	339 816	390 321	504 846
				Free State	82 498	94 758	122 562
				Gauteng	172 111	197 691	255 696
				KwaZulu-Natal	376 435	432 381	559 247
				Limpopo	252 901	290 488	375 721
				Mpumalanga	136 606	156 908	202 947
				Northern Cape	48 483	54 500	68 144
				North West	103 144	118 473	153 235
				Western Cape	71 109	81 678	105 642
				TOTAL	1 583 103	1 817 198	2 348 040
Health (Vote 14)	(a) Comprehensive HIV and Aids Grant	To enable the health sector to develop an effective response to HIV and Aids; and to support the implementation of the National Operational Plan for Comprehensive HIV and Aids treatment and care.	Conditional allocation	Eastern Cape	300 522	380 897	463 750
				Free State	189 630	222 648	305 299
				Gauteng	541 119	715 850	793 281
				KwaZulu-Natal	629 694	828 174	927 793
				Limpopo	234 410	275 226	376 877
				Mpumalanga	151 849	187 928	241 561
				Northern Cape	91 444	107 365	146 850
				North West	205 288	264 922	309 710
				Western Cape	241 467	293 176	421 636
				TOTAL	2 585 423	3 276 186	3 986 757

SCHEDULE 5
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2008/09 Allocation	Forward Estimates	
						2009/10	2010/11
Health (Vote 14)	(b) Forensic Pathology Services Grant	To continue the development and provision of a comprehensive Forensic Pathology Service following the shift of this function to the health sector from the South African Police Service (SAPS) in all provinces.	Conditional allocation	Eastern Cape	R'000	R'000	R'000
				Free State	58 129	61 214	69 345
				Gauteng	31 198	32 855	37 218
				KwaZulu-Natal	77 472	81 584	92 421
				Limpopo	127 757	134 538	152 406
				Mpumalanga	33 457	35 233	39 913
				Northern Cape	42 003	44 233	50 107
				North West	19 169	20 187	22 868
				Western Cape	22 158	23 334	26 433
				TOTAL	55 535	58 484	66 251
					466 878	491 662	556 962
	(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	282 288	226 276	325 810
				Free State	202 753	232 681	312 500
				Gauteng	718 312	745 500	785 503
				KwaZulu-Natal	285 666	422 907	432 608
				Limpopo	248 540	196 233	305 954
				Mpumalanga	244 322	299 499	337 364
				Northern Cape	246 364	328 890	405 500
				North West	254 030	242 800	310 500
				Western Cape	400 388	387 010	420 965
				TOTAL	2 882 663	3 081 796	3 636 704
Housing (Vote 26)	Integrated Housing and Human Settlement Development Grant	To provide for the facilitation of a sustainable housing development process by laying down general principles applicable to housing development in all spheres of government through the Division of Revenue Act.	Conditional allocation	Eastern Cape	1 251 018	1 510 127	1 865 963
				Free State	772 410	907 708	1 093 849
				Gauteng	2 579 973	3 004 847	3 569 998
				KwaZulu-Natal	1 575 586	1 891 016	2 353 255
				Limpopo	783 247	939 677	1 168 678
				Mpumalanga	629 210	749 963	923 644
				Northern Cape	161 312	199 332	258 638
				North West	896 102	1 037 154	1 219 807
				Western Cape	1 203 984	1 490 999	1 768 840
				TOTAL	9 852 842	11 730 823	14 222 672

SCHEDULE 5
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2008/09 Allocation	Forward Estimates	
					2009/10	2010/11	
Public Works (Vote 5)	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	R'000	R'000
				Free State	119 638	134 061	147 467
				Gauteng	125 066	140 144	154 158
				KwaZulu-Natal	155 265	173 983	191 381
				Limpopo	210 846	236 264	259 891
				Mpumalanga	12 294	13 776	15 154
				Northern Cape	36 000	40 340	44 374
				North West	24 094	26 998	29 698
				Western Cape	58 995	66 107	72 718
				TOTAL	147 127	164 865	181 351
Sport and Recreation South Africa (Vote 17)	Mass Sport and Recreation Participation Programme Grant	To promote sport and recreation activities in communities and schools through mass participation and sport development.	Conditional allocation	Eastern Cape	889 325	996 538	1 096 192
				Free State	44 895	62 765	66 531
				Gauteng	20 355	26 591	28 186
				KwaZulu-Natal	44 978	63 834	67 664
				Limpopo	59 735	85 148	90 256
				Mpumalanga	28 241	52 023	45 604
				Northern Cape	21 823	29 870	31 663
				North West	18 722	12 686	21 927
				Western Cape	24 083	31 096	34 022
				TOTAL	290 000	402 250	426 385
Transport (Vote 33)	Gautrain Rapid Rail Link Grant	To provide for national government funding contribution over a period of five years to the Gauteng Provincial Government for the construction of a fully integrated Gautrain Rapid Rail network.	Conditional allocation	Gauteng	3 265 993	2 507 211	317 526
				TOTAL	3 265 993	2 507 211	317 526

SCHEDULE 5: FURTHER EDUCATION AND TRAINING COLLEGE SECTOR RECAPITALISATION GRANT

Vote	Name of allocation	Province	Further Education and Training Colleges	Column A	Column B		
				2008/09 Allocation	Forward Estimates		
				R'000	2009/10 R'000	2010/11 R'000	
Education (Vote 13)	Further Education and Training College Sector Recapitalisation Grant	Eastern Cape	Buffalo City	14 880	-	-	-
			E Cape Midlands	17 490	-	-	-
			Ikhalala College	18 830	-	-	-
			Ingwe College	14 256	-	-	-
			King Hintsa College	14 000	-	-	-
			King Sabata College	11 110	-	-	-
			Lovedale College	9 760	-	-	-
			Port Elizabeth College	15 180	-	-	-
			TOTAL	115 506	-	-	-
		Free State	Flavius Mareka College	10 570	-	-	-
			Goldfields College	11 530	-	-	-
			Maluti College	16 100	-	-	-
			Motheo College	14 000	-	-	-
			TOTAL	52 200	-	-	-
		Gauteng	Central Johannesburg	20 460	-	-	-
			Ekhuruleni West	21 590	-	-	-
			Ekhuruleni East	25 700	-	-	-
			Sedibeng	19 900	-	-	-
			South West College	19 530	-	-	-
			Tshwane South	27 437	-	-	-
			Tshwane North	25 216	-	-	-
			Western College	7 323	-	-	-
			TOTAL	167 156	-	-	-

SCHEDULE 5: FURTHER EDUCATION AND TRAINING COLLEGE SECTOR RECAPITALISATION GRANT

Vote	Name of allocation	Province	Further Education and Training Colleges	Column A	Column B	
				2008/09 Allocation	Forward Estimates	
				R'000	2009/10 R'000	2010/11 R'000
Education (Vote 13)	Further Education and Training College Sector Recapitalisation Grant	KwaZulu-Natal	Coastal College	18 000	-	-
			Elangeni College	20 715	-	-
			Esayidi College	20 659	-	-
			Majuba College	16 100	-	-
			Mnambithi College	13 530	-	-
			Mthashana College	18 180	-	-
			Thekwini College	13 400	-	-
			Umfolozo College	21 000	-	-
			Umgungundlovu College	21 390	-	-
			TOTAL	162 974	-	-
		Limpopo	Capricorn College	28 650	-	-
			Lephalale College	9 880	-	-
			Letaba College	13 490	-	-
			Mopani College	19 901	-	-
			Sekhukhune College	19 950	-	-
			Vhembe College	3 495	-	-
			Waterberg College	16 280	-	-
			TOTAL	111 646	-	-
		Mpumalanga	Ehlanzeni College	12 009	-	-
			Gert Sibande College	15 190	-	-
			Nkangala College	11 900	-	-
			TOTAL	39 099	-	-
		Northern Cape	Rural College	5 000	-	-
			Urban College	2 620	-	-
			TOTAL	7 620	-	-

SCHEDULE 5: FURTHER EDUCATION AND TRAINING COLLEGE SECTOR RECAPITALISATION GRANT

Vote	Name of allocation	Province	Further Education and Training Colleges	Column A	Column B		
				2008/09 Allocation	Forward Estimates		
				R'000	2009/10 R'000	2010/11 R'000	
Education (Vote 13)	Further Education and Training College Sector Recapitalisation Grant	North West	Orbit College	20 007	-	-	-
			Taleiso College	14 670	-	-	-
			Vuselela College	26 817	-	-	-
			TOTAL	61 494	-	-	-
		Western Cape	Boland College	14 140	-	-	-
			Cape Town College	6 425	-	-	-
			False Bay College	15 520	-	-	-
			Northlink College	9 850	-	-	-
			South Cape College	18 300	-	-	-
			West Coast College	13 070	-	-	-
			TOTAL	77 305	-	-	-

SCHEDULE 5: MASS SPORT AND RECREATION PARTICIPATION PROGRAMME GRANT

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2008/09 Allocation	Forward Estimates	
						2009/10	2010/11
Sport and Recreation South Africa (Vote 17)	Legacy	To promote sport and recreation activities in communities and schools through mass participation and sport development.	Conditional allocation	Eastern Cape	R'000	R'000	R'000
				Free State	13 430	29 652	31 431
				Gauteng	5 961	12 307	13 045
				KwaZulu-Natal	13 797	30 342	32 162
				Limpopo	17 319	39 170	41 519
				Mpumalanga	11 375	27 015	26 169
				Northern Cape	6 091	13 880	14 713
				North West	2 094	2 408	5 020
				Western Cape	6 640	14 685	15 567
				TOTAL	85 000	187 250	198 485
	School Sport Mass Participation Programme	To promote sport and recreation activities in communities and schools through mass participation and sport development.	Conditional allocation	Eastern Cape	15 800	17 046	18 069
				Free State	7 013	7 075	7 499
				Gauteng	16 232	17 443	18 489
				KwaZulu-Natal	20 376	22 517	23 868
				Limpopo	8 382	10 528	9 743
				Mpumalanga	7 166	7 978	8 458
				Northern Cape	7 463	6 243	8 034
				North West	7 812	8 442	8 949
				Western Cape	9 756	10 228	10 841
				TOTAL	100 000	107 500	113 950
	Siyadlala	To promote sport and recreation activities in communities and schools through mass participation and sport development.	Conditional allocation	Eastern Cape	15 665	16 067	17 031
				Free State	7 381	7 209	7 642
				Gauteng	14 949	16 049	17 013
				KwaZulu-Natal	22 040	23 461	24 869
				Limpopo	8 484	14 480	9 692
				Mpumalanga	8 566	8 012	8 492
				Northern Cape	9 165	4 035	8 873
				North West	9 631	7 969	9 506
				Western Cape	9 119	10 218	10 832
				TOTAL	105 000	107 500	113 950

SCHEDULE 6
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A	Column B	
			2008/09 Allocation	Forward Estimates	
				2009/10	2010/11
			R'000	R'000	R'000
RECURRENT GRANTS					
Provincial and Local Government (Vote 29)	Municipal Systems Improvement Programme Grant	To assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance systems.	200 000	200 000	212 000
	Local Government Financial Management Grant	To promote and support reforms in financial management by building the capacity in municipalities to implement the Municipal Finance Management Act.	180 000	299 990	364 589
National Treasury (Vote 7)	Water Services Operating Subsidy Grant	To subsidise water schemes owned and/or operated by the department or by other agencies on behalf of the department and transfer these to local government.	861 467	855 000	570 000
Water Affairs and Forestry (Vote 34)	2010 World Cup Host City Operating Grant	To assist host cities with the operational response associated with the hosting of the 2009 Confederations Cup and the 2010 FIFA World Cup competition.	-	488 000	196 000
Sport and Recreation SA (Vote 17)					
			1 241 467	1 842 990	1 342 589
INFRASTRUCTURE GRANTS					
Minerals and Energy (Vote 28)	Integrated National Electrification Programme (Municipal) Grant	To implement the Programme 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.	595 637	897 008	950 828
	Neighbourhood Development Partnership Grant	To provide municipalities with capital subsidies for property developments in townships and new residential neighbourhoods that include the construction or upgrading of community facilities, and where appropriate, attract private sector funding and input.	407 015	700 000	1 000 000
National Treasury (Vote 7)	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.	3 170 000	2 325 000	4 464 500
Transport (Vote 33)	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.	2 895 000	1 400 000	100 000
Sport and Recreation SA (Vote 17)					
			7 067 652	5 322 008	6 515 328

SCHEDULE 7
ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A		Column B	
			2008/09 Allocation	Forward Estimates	2009/10	2010/11
National Treasury (Vote 7)	(a) Local Government Financial Management Grant	To promote and support reforms in financial management by building the capacity in municipalities to implement the Municipal Finance Management Act.	R'000 50 000	R'000 -	R'000 -	R'000 -
	(b) Neighbourhood Development Partnership Grant	To provide municipalities with technical assistance to develop appropriate project proposals for property developments in townships and new residential neighbourhoods that include the construction or upgrading of community facilities, and where appropriate, attract private sector funding and input.	122 985	170 000	49 000	
Minerals and 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 residential dwellings, the installation of bulk infrastructure and rehabilitation of electrification infrastructure.	1 150 758	1 420 770	1 649 309	
	(b) Backlogs in the Electrification of Clinics and Schools Grant	To implement the Programme (INEP) by providing capital subsidies to Eskom in order to address the electrification backlog of schools and clinics.	90 000	150 000	-	
Water Affairs and Forestry (Vote 34)	(a) Water Services Operating Subsidy Grant	To subsidise water schemes owned and/or operated by the department or by other agencies on behalf of the department and transfer these to local government.	269 040	-	-	
	(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.	450 000	650 000	689 000	
	(c) Backlogs in Water and Sanitation at Clinics and Schools Grant	To eradicate the water supply and sanitation backlog of all clinics by 2008 and that of all schools by 2009.	210 000	350 000	-	
TOTAL			2 342 783	2 740 770	2 387 309	

