



Government Gazette

REPUBLIC OF SOUTH AFRICA
IRIPHABHULIKI YASENINGIZIMU AFRIKA

Vol. 600 Cape Town, 1 June 2015
Kaapstad,

No. 38850

THE PRESIDENCY

No. 454 1 June 2015

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

Act No. 1 of 2015: Division of Revenue Act, 2015



AIDS HELPLINE: 0800-0123-22 Prevention is the cure

(English text signed by the President)
(Assented to 30 May 2015)

ACT

To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2015/16 financial year, the determination of each province's equitable share and allocations to provinces, local government and municipalities from national government's equitable share and the responsibilities of all three spheres pursuant to such division and allocations; 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;

WHEREAS section 7(3) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), requires the introduction of the Division of Revenue Bill at the same time as the Appropriation Bill is introduced,

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

ARRANGEMENT OF PROVISIONS OF ACT

Sections

CHAPTER 1 5

INTERPRETATION AND OBJECTS OF ACT

1. Interpretation
2. Objects of Act

CHAPTER 2

EQUITABLE SHARE ALLOCATIONS 10

3. Equitable division of revenue raised nationally among spheres of government
4. Equitable division of provincial share among provinces

4

5. Equitable division of local government share among municipalities
6. Shortfalls and excess revenue

CHAPTER 3

CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

Part 1

5

Conditional allocations

7. Conditional allocations to provinces
8. Conditional allocations to municipalities

Part 2

Duties of accounting officers in respect of Schedule 4 to 7 allocations 10

9. Duties of transferring officer in respect of Schedule 4 allocations
10. Duties of transferring officer in respect of Schedule 5 or 6 allocations
11. Duties of receiving officer in respect of Schedule 4 allocations
12. Duties of receiving officer in respect of Schedule 5 or 7 allocations
13. Duties of receiving officer in respect of infrastructure conditional allocations to provinces 15
14. Infrastructure conditional allocations to metropolitan municipalities
15. Duties in respect of annual financial statements and annual reports for 2015/16

Part 3

Matters relating to Schedule 4 to 7 allocations 20

16. Publication of allocations and frameworks
17. Expenditure in terms of purpose and subject to conditions
18. Withholding of allocations
19. Stopping of allocations
20. Re-allocation of funds 25
21. Conversion of allocations
22. Unspent conditional allocations

CHAPTER 4

MATTERS RELATING TO ALL ALLOCATIONS

23. Payment schedule 30
24. Amendment of payment schedule
25. Transfers made in error or fraudulently
26. New allocations during financial year and Schedule 7 allocations
27. Preparations for 2016/17 financial year and 2017/18 financial year
28. Transfers before commencement of Division of Revenue Act for 2016/17 financial year 35

6

CHAPTER 5**DUTIES AND POWERS OF MUNICIPALITIES, PROVINCIAL TREASURIES
AND NATIONAL TREASURY**

- | | |
|--|---|
| 29. Duties of municipalities | |
| 30. Duties and powers of provincial treasuries | 5 |
| 31. Duties and powers of National Treasury | |

CHAPTER 6**GENERAL**

- | | |
|---|----|
| 32. Liability for costs incurred in violation of principles of cooperative governance and intergovernmental relations | 10 |
| 33. Irregular expenditure | |
| 34. Financial misconduct | |
| 35. Delegations and assignments | |
| 36. Exemptions | |
| 37. Regulations | 15 |
| 38. Repeal of laws and savings | |
| 39. Short title and commencement | |

SCHEDULE 1

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

SCHEDULE 2 20

Determination of each province's equitable share of the provincial sphere's share of revenue raised nationally (as a direct charge against the National Revenue Fund)

SCHEDULE 3

Determination of each municipality's equitable share of the local government sphere's share of revenue raised nationally 25

SCHEDULE 4***Part A***

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

Part B 30

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

SCHEDULE 5***Part A***

Specific purpose allocations to provinces 35

Part B

Specific purpose allocations to municipalities

8

SCHEDULE 6**Part A**

Allocations-in-kind to provinces for designated special programmes

Part B

Allocations-in-kind to municipalities for designated special programmes 5

SCHEDULE 7**Part A**

Allocations to provinces for immediate disaster response

Part B

Allocations to municipalities for immediate disaster response 10

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— 15

“**accreditation**” means accreditation of a municipality, in terms of section 10(2) of the Housing Act, 1997 (Act No. 107 of 1997), to administer national housing programmes, read with Part 3 of the National Housing Code, 2009 (Financial 20 Interventions: Accreditation of Municipalities);

“**allocation**” means the equitable share allocation to the national sphere of government in Schedule 1, a province in Schedule 2 or a municipality in Schedule 3, or a conditional allocation;

“**category A, B or C municipality**” means a category A, B or C municipality envisaged in section 155(1) of the Constitution; 25

“**conditional allocation**” means an allocation to a province or municipality from the national government’s share of revenue raised nationally, envisaged in section 214(1)(c) of the Constitution, as set out in Schedule 4, 5, 6 or 7;

“**Constitution**” means the Constitution of the Republic of South Africa, 1996; 30

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

“**Education Infrastructure Grant**” means the Education Infrastructure Grant referred to in Part A of Schedule 4; 35

“**financial year**” means, in relation to—

(a) a national or provincial department, the year ending 31 March; or

(b) a municipality, the year ending 30 June;

“**framework**” means the conditions and other information in respect of a conditional allocation published in terms of section 16 or 26; 40

“**Health Facility Revitalisation Grant**” means the Health Facility Revitalisation Grant referred to in Part A of Schedule 5;

“**Human Settlements Development Grant**” means the Human Settlements Development Grant referred to in Part A of Schedule 5;

- “**Integrated City Development Grant**” means the Integrated City Development Grant referred to in Part B of Schedule 4;
- “**Integrated National Electrification Programme Grant**” means the Integrated National Electrification Programme Grant referred to in Part B of Schedule 5 or Part B of Schedule 6; 5
- “**legislation**” means national legislation or provincial legislation as defined in section 239 of the Constitution;
- “**level one accreditation**” means accreditation to render beneficiary management, subsidy budget planning and allocation, and priority programme management and administration, of national housing programmes; 10
- “**level three accreditation**” means an executive assignment to administer all aspects, including financial administration, of national housing programmes;
- “**level two accreditation**” means accreditation to render full programme management and administration of all housing instruments and national housing programmes in addition to the responsibilities under a level one accreditation; 15
- “**Maths, Science and Technology Grant**” means the Maths, Science and Technology Grant referred to in Part A of Schedule 5;
- “**medium term expenditure framework**” means a budgeting framework applied by the National Treasury which—
- (a) translates government policies and plans into a multi-year spending plan; and
 - (b) promotes transparency, accountability and effective public financial management; 20
- “**metropolitan municipality**” means a metropolitan municipality as defined in section 1 of the Municipal Structures Act;
- “**Municipal Finance Management Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003); 25
- “**Municipal Structures Act**” means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);
- “**Municipal Systems Act**” means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000); 30
- “**Neighbourhood Development Partnership Grant**” means the Neighbourhood Development Partnership Grant referred to in Part B of Schedule 5 or Part B of Schedule 6;
- “**organ of state**” means an organ of state as defined in section 239 of the Constitution; 35
- “**overpayment**” means the transfer of more than the allocated amount of an allocation or the transfer of an allocation not in accordance with a payment schedule;
- “**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 2015/16 financial year; 40
 - (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 38; 45
- “**primary bank account**” in relation to—
- (a) a province, means a bank account of the Provincial Revenue Fund, envisaged in section 21(2) of the Public Finance Management Act and which the accounting officer of the provincial treasury has certified to the National Treasury; or 50
 - (b) a municipality, means the bank account of the municipality as determined in terms of section 8 of the Municipal Finance Management Act;

“Provincial Roads Maintenance Grant” means the Provincial Roads Maintenance Grant referred to in Part A of Schedule 4;

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

“Public Transport Network Grant” means the Public Transport Network Grant referred to in Part B of Schedule 5; 5

“Public Transport Operations Grant” means the Public Transport Operations Grant referred to in Part A of Schedule 4;

“quarter” means, in relation to—

(a) a national or provincial department, the period from— 10

- (i) 1 April to 30 June;
- (ii) 1 July to 30 September;
- (iii) 1 October to 31 December; or
- (iv) 1 January to 31 March; or

(b) a municipality— 15

- (i) 1 July to 30 September;
- (ii) 1 October to 31 December;
- (iii) 1 January to 31 March; or
- (iv) 1 April to 30 June;

“receiving officer” means, in relation to— 20

(a) a Schedule 4, 5 or 7 allocation transferred to a province, the accounting officer of the provincial department which receives that allocation or a portion thereof for expenditure via an appropriation from its Provincial Revenue Fund; or

(b) a Schedule 4, 5 or 7 allocation transferred or provided in kind to a municipality, the accounting officer of the municipality; 25

“receiving provincial department” in relation to a Schedule 4, 5 or 7 allocation transferred to a province, means the provincial department which receives that allocation or a portion thereof for expenditure via an appropriation from its Provincial Revenue Fund; 30

“School Infrastructure Backlogs Grant” means the School Infrastructure Backlogs Grant referred to in Part A of Schedule 6;

“this Act” includes any framework or allocation published, or any regulation made, in terms of this Act;

“transferring officer” means the accounting officer of a national department that transfers a Schedule 4, 5 or 7 allocation to a province or municipality or spends a Schedule 6 allocation on behalf of a province or municipality; and 35

“Urban Settlements Development Grant” means the Urban Settlements Development Grant referred to in Part B of Schedule 4.

(2) Any approval, certification, decision, determination, instruction, notification, notice or request in terms of this Act must be in writing. 40

Objects of Act

2. The objects of this Act are—

(a) as required by section 214(1) of the Constitution, to provide for— 45

- (i) the equitable division of revenue raised nationally among the three spheres of government;
- (ii) the determination of each province’s equitable share of the provincial share of that revenue;
- (iii) other allocations to provinces, local government or municipalities from the national government’s share of that revenue and conditions on which those allocations are made; 50

(b) to promote predictability and certainty in respect of all allocations to provinces and municipalities, in order that provinces and municipalities may

- plan their budgets over a multi-year period and thereby promote better coordination between policy, planning and budgeting; and
- (c) promote transparency and accountability in the resource allocation process, by ensuring that all allocations, except Schedule 6 allocations, are reflected on the budgets of provinces and municipalities and the expenditure of conditional allocations is reported on by the receiving provincial departments and municipalities. 5

CHAPTER 2

EQUITABLE SHARE ALLOCATIONS

Equitable division of revenue raised nationally among spheres of government 10

3. (1) Revenue raised nationally in respect of the 2015/16 financial year must be divided among the national, provincial and local spheres of government as set out in Column A of Schedule 1.

(2) An envisaged division of revenue anticipated to be raised in respect of the 2016/17 financial year and the 2017/18 financial year, and which is subject to the provisions of the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 1. 15

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 2015/16 financial year is set out in Column A of Schedule 2. 20

(2) An envisaged division for each province of revenue anticipated to be raised nationally in respect of the 2016/17 financial year and the 2017/18 financial year, and which is subject to the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 2.

(3) The National Treasury must transfer each province's equitable share referred to in subsection (1) to the corporation for public deposits account of the province in accordance with the payment schedule determined in terms of section 23. 25

Equitable division of local government share among municipalities

5. (1) Each municipality's equitable share of local government's share of revenue raised nationally in respect of the 2015/16 financial year is set out in Column A of Schedule 3. 30

(2) An envisaged division between municipalities of revenue anticipated to be raised nationally in respect of the 2016/17 financial year and the 2017/18 financial year, and which is subject to the annual Division of Revenue Acts for those financial years, is set out in Column B of Schedule 3. 35

(3) The National Treasury must transfer each municipality's equitable share referred to in subsection (1) to the primary bank account of the municipality in three transfers on 6 July 2015, 27 November 2015 and 18 March 2016, in accordance with the payment schedule determined in terms of section 23.

Shortfalls and excess revenue 40

6. (1) If the actual revenue raised nationally in respect of the 2015/16 financial year falls short of the anticipated revenue set out in Column A of Schedule 1, the national government bears the shortfall.

(2) If the actual revenue raised nationally in respect of the 2015/16 financial year exceeds the anticipated revenue set out in Column A of Schedule 1, the excess accrues to the national government, and may be used to reduce borrowing or pay debt as part of its share of revenue raised nationally. 45

(3) A portion of national government's equitable share or excess revenue envisaged in subsection (2), may be appropriated through the applicable legislation envisaged in section 12 of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), to make further allocations to—

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

CHAPTER 3

CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

Part 1

Conditional allocations 10

Conditional allocations to provinces

7. (1) Conditional allocations to provinces for the 2015/16 financial year from the national government's share of revenue raised nationally are set out in—

- (a) Part A of Schedule 4, specifying allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets; 15
- (b) Part A of Schedule 5, specifying specific-purpose allocations to provinces;
- (c) Part A of Schedule 6, specifying allocations-in-kind to provinces for designated special programmes; and
- (d) Part A of Schedule 7, specifying funds that are not allocated to specific provinces that may be released to provinces to fund immediate disaster response. 20

(2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the 2016/17 financial year and the 2017/18 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 25

Conditional allocations to municipalities

8. (1) Conditional allocations to local government in respect of the 2015/16 financial year from the national government's share of revenue raised nationally are set out in—

- (a) Part B of Schedule 4, specifying allocations to municipalities to supplement the funding of functions funded from municipal budgets; 30
- (b) Part B of Schedule 5, specifying specific-purpose allocations to municipalities;
- (c) Part B of Schedule 6, specifying allocations-in-kind to municipalities for designated special programmes; and 35
- (d) Part B of Schedule 7, specifying funds that are not allocated to specific municipalities that may be released to municipalities to fund immediate disaster response.

(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 2016/17 financial year and the 2017/18 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1). 40

(3) If approved by the National Treasury after consultation with the national Department of Transport, allocations for specific transport contracts for capital projects from the envisaged conditional allocations for the Public Transport Network Grant listed in Column B of Part B of Schedule 5, may not be altered downwards in the Division of Revenue Acts for the 2016/17 financial year and 2017/18 financial year. 45

(4) (a) A municipality may only with the approval of the National Treasury pledge, offer as security or commit to a person or institution any envisaged conditional allocation to the municipality for the 2016/17 financial year and the 2017/18 financial 50

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

(b) Before making a decision, the National Treasury must—

- (i) notify the relevant transferring officer of the approval sought by a municipality and that the officer may submit comment to the National Treasury regarding the approval sought, within five working days after notification or such longer period as the National Treasury may approve; and
- (ii) consider any comment so submitted by the officer.

(c) A municipality must report on any project pledged to be partially or fully funded in terms of paragraph (a) in the format and on the dates determined by the National Treasury.

Part 2

Duties of accounting officers in respect of Schedule 4 to 7 allocations

Duties of transferring officer in respect of Schedule 4 allocations

9. (1) The transferring officer of a Schedule 4 allocation must— 15

- (a) ensure that transfers to all provinces and municipalities are—
 - (i) deposited only into the primary bank account of the relevant province or municipality; and
 - (ii) made in accordance with the payment schedule determined in terms of section 23, unless allocations are withheld or stopped in terms of section 18 or 19; 20
- (b) monitor information on financial and non-financial performance of programmes partially or fully funded by an allocation in Part A of Schedule 4, in accordance with subsection (2) and the applicable framework;
- (c) monitor information on financial and non-financial performance of the Urban Settlements Development Grant and Integrated City Development Grant against the capital budget and the service delivery and budget implementation plan; 25
- (d) comply with the applicable framework;
- (e) submit a monthly provincial report on infrastructure expenditure partially or fully funded by the allocation within 30 days after the end of each month to the National Treasury, in the format determined by the National Treasury; 30
- (f) submit a quarterly non-financial performance report within 45 days after the end of each quarter to the National Treasury in terms of the applicable framework; and 35
- (g) evaluate the performance of programmes funded or partially funded by the allocation and the submission of such evaluations to the National Treasury—
 - (i) in respect of a provincial department, within four months after the end of the 2015/16 financial year of the provincial department; and
 - (ii) in respect of a municipality, within four months after the end of the 2015/16 financial year of the municipality. 40

(2) Any monitoring programme or system that is utilised to monitor information on financial and non-financial performance of a programme partially or fully funded by a Schedule 4 allocation must—

- (a) be approved by the National Treasury; 45

- (b) not impose any excessive administrative responsibility on receiving officers beyond the provision of standard management information;
- (c) be compatible and integrated with and not unnecessarily duplicate other relevant national, provincial and local systems; and
- (d) support compliance with section 11(2). 5

(3) A transferring officer may only transfer the Urban Settlements Development Grant to a recipient metropolitan municipality, if the municipality has submitted a built environment performance plan in terms of section 14(1).

Duties of transferring officer in respect of Schedule 5 or 6 allocations

10. (1) The transferring officer of a Schedule 5 or 6 allocation must— 10

- (a) not later than 14 days after this Act takes effect, certify to the National Treasury that—
 - (i) any monitoring programme or system that is utilised, is compatible and integrated with and does not duplicate other relevant national, provincial and local systems; and 15
 - (ii) in respect of a Schedule 5 allocation, any plans requested in respect of how allocations will be utilised by a province or municipality, as the case may be, have been approved before the start of the financial year.
- (b) in respect of Schedule 5 allocations—
 - (i) transfer funds only after receipt of all information required to be submitted by the receiving officer in terms of this Act and submission of all relevant information to the National Treasury; 20
 - (ii) transfer funds in accordance with the payment schedule determined in terms of section 23, unless allocations are withheld or stopped in terms of section 18 or 19; and 25
 - (iii) deposit funds only into the primary bank account of the relevant province or municipality; and
- (c) ensure that all other provisions of this Act and the relevant framework for the transfer of the allocation are complied with.

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

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

(4) Before making the first transfer of any allocation in terms of subsection (1)(b), the transferring officer must take note of any notice in terms of section 31(1) containing the details of the relevant primary bank accounts.

(5) The transferring officer of a Schedule 5 allocation to a municipality is responsible for monitoring financial and non-financial performance information on programmes funded by the allocation. 40

(6) The transferring officer of a Schedule 5 or 6 allocation must, as part of the reporting envisaged in section 40(4)(c) of the Public Finance Management Act, submit information, in the format determined by the National Treasury, for the month in question, and for the 2015/16 financial year up to the end of that month, on— 45

- (a) the amount of funds transferred to a province or municipality;
- (b) the amount of funds for any province or municipality withheld or stopped in terms of section 18 or 19, the reasons for the withholding or stopping and the steps taken by the transferring officer and the receiving officer to deal with the matters or causes that necessitated the withholding or stopping of the payment; 50

- (c) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 allocation;
- (d) the actual expenditure incurred by the transferring officer in respect of a Schedule 6 allocation;
- (e) any matter or information that may be required by the relevant framework for the particular allocation; and 5
- (f) such other matters as the National Treasury may determine.
- (7) A transferring officer must submit to the National Treasury—
 - (a) a monthly provincial report on infrastructure expenditure partially or fully funded by the Health Facility Revitalisation Grant, National Health Grant, School Infrastructure Backlogs Grant or Maths, Science and Technology Grant within 22 days after the end of each month, in the format determined by the National Treasury; and 10
 - (b) a quarterly performance report of all programmes partially or fully funded by a Schedule 5 or 6 allocation within 45 days after the end of each quarter, in accordance with the relevant framework. 15
- (8) The transferring officer must evaluate the performance of all programmes partially or fully funded by a Schedule 5 or 6 allocation and submit such evaluations to the National Treasury—
 - (a) in respect of a provincial department, within four months after the end of the 2015/16 financial year of the provincial department; and 20
 - (b) in respect of a municipality, within four months after the end of the 2015/16 financial year of the municipality.
- (9) The transferring officer for the Public Transport Network Grant, Neighbourhood Development Partnership Grant or Integrated National Electrification Programme Grant to a metropolitan municipality— 25
 - (a) may only transfer the grant if the municipality has submitted a built environment performance plan in terms of section 14(1);
 - (b) must take into account that built environment performance plan when monitoring and evaluating the performance of the municipality and assessing envisaged plans and allocations for the municipality. 30

Duties of receiving officer in respect of Schedule 4 allocations

- 11. (1) The receiving officer of a Schedule 4 allocation is responsible for—
 - (a) complying with the relevant framework for the Schedule 4 allocation; and
 - (b) the manner in which the Schedule 4 allocation received from a transferring officer is allocated and spent. 35
- (2) The receiving officer of a municipality must—
 - (a) ensure and certify to the National Treasury that the municipality—
 - (i) indicates each programme partially or fully funded by a Schedule 4 allocation in its annual budget and that the Schedule 4 allocation is specifically and exclusively appropriated in that budget for utilisation only according to the purpose of the allocation; and 40
 - (ii) makes public, in terms 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; 45
 - (b) when submitting the municipality's statements in terms of section 71 of the Municipal Finance Management Act for September 2015, December 2015, March 2016 and June 2016, report to the transferring officer, the relevant provincial treasury and the National Treasury—

- (i) in respect of the Urban Settlements Development Grant and the Integrated City Development Grant, on financial performance against its capital budget and the measures defined in its service delivery and budget implementation plan; and
- (ii) in respect of any other Schedule 4 allocation, on financial performance of programmes partially or fully funded by the allocation; and 5
- (c) within 30 days after the end of each quarter, report to the transferring officer and the National Treasury—
 - (i) in respect of the Urban Settlements Development Grant and the Integrated City Development Grant, on non-financial performance for that quarter against the measures defined in its service delivery and budget implementation plan; and 10
 - (ii) in respect of any other Schedule 4 allocation, on non-financial performance of programmes partially or fully funded by the allocation. 15
- (3) The National Treasury must make the report submitted to it in terms of subsection (2)(b) or (c) available to the transferring officer of the Urban Settlements Development Grant, Public Transport Network Grant and Integrated National Electrification Programme Grant and the accounting officer of any other national department having responsibilities relating to the applicable allocation. 20
- (4) The receiving officer of a provincial department must submit to the relevant provincial treasury and the transferring officer—
 - (a) as part of the report required in section 40(4)(c) of the Public Finance Management Act, reports on financial and non-financial performance of programmes partially or fully funded by a Schedule 4 allocation; 25
 - (b) a quarterly non-financial performance report of programmes partially or fully funded by a Schedule 4 allocation within 30 days after the end of each quarter; and
 - (c) a monthly provincial report on infrastructure programmes partially or fully funded by a Schedule 4 allocation within 15 days after the end of each month, in the format determined by the National Treasury. 30
- (5) The receiving officer must report on programmes partially or fully funded by a Schedule 4 allocation against the relevant framework in its annual financial statements and annual report.
- (6) The receiving officer must evaluate the financial and non-financial performance of the provincial department or municipality, as the case may be, in respect of programmes partially or fully funded by a Schedule 4 allocation and submit such evaluation to the transferring officer and the relevant provincial treasury within two months—
 - (a) in respect of a provincial department, after the end of the 2015/16 financial year of the provincial department; and 35
 - (b) in respect of a municipality, after the end of the 2015/16 financial year of the municipality. 40

Duties of receiving officer in respect of Schedule 5 or 7 allocations

- 12.** (1) The receiving officer of a Schedule 5 or 7 allocation must ensure compliance with the relevant framework.
- (2) The relevant receiving officer must, in respect of a Schedule 5 or 7 allocation transferred to—
 - (a) a province, as part of the report required in section 40(4)(c) of the Public Finance Management Act, report on the matters referred to in subsection (3) 45

- and submit a copy of that report to the relevant provincial treasury and the transferring officer;
- (b) a municipality, as part of the report required in terms of section 71 of the Municipal Finance Management Act, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant transferring officer; and 5
- (c) a province or municipality, submit a quarterly non-financial performance report within 30 days after the end of each quarter to the transferring officer and the relevant provincial treasury.
- (3) A report for a province in terms of subsection (2)(a) must set out for the month in question and for the 2015/16 financial year up to the end of the month— 10
- (a) the amount received by the province;
- (b) the amount of funds stopped or withheld in terms of section 18 or 19 and the reason for the stopping or withholding;
- (c) the actual expenditure by the province in respect of Schedule 5 and 7 allocations; 15
- (d) the amount transferred to any national or provincial public entity to implement a programme funded by a Schedule 5 allocation on behalf of a province or to assist the province in implementing the programme;
- (e) the available figures regarding the expenditure by a public entity referred to in paragraph (d); 20
- (f) the extent of compliance with this Act and with the conditions of the allocation provided for in its framework, based on the available information at the time of reporting;
- (g) an explanation of any material difficulties experienced by the province regarding an allocation which has been received and a summary of the steps taken to deal with such difficulties; 25
- (h) any matter or information that may be determined in the framework for the allocation; and
- (i) such other matters and information as the National Treasury may determine. 30
- (4) A report for a municipality in terms of subsection (2)(b) must set out for the month in question and for the 2015/16 financial year up to the end of the month—
- (a) the amount received by the municipality;
- (b) the amount of funds stopped or withheld in terms of section 18 or 19 and the reason for the stopping or withholding; 35
- (c) the extent of compliance with this Act and with the conditions of the allocation or part of the allocation provided for in its framework;
- (d) an explanation of any material problems experienced by the municipality regarding an allocation which has been received and a summary of the steps taken to deal with such problems; 40
- (e) any matter or information that may be determined in the framework for the allocation; and
- (f) such other matters and information as the National Treasury may determine.
- (5) The receiving officer must evaluate the financial and non-financial performance of the provincial department or municipality, as the case may be, in respect of programmes partially or fully funded by a Schedule 5 allocation and submit such evaluation to the transferring officer and the relevant provincial treasury within one month— 45
- (a) in respect of a provincial department, after the end of the 2015/16 financial year of the provincial department; and
- (b) in respect of a municipality, after the end of the 2015/16 financial year of the municipality. 50
- (6) (a) The receiving officer of the Human Settlements Development Grant must, in consultation with the transferring officer, publish in the *Gazette* within 14 days after this Act takes effect, the planned expenditure from the Human Settlements Development Grant, for the 2015/16 financial year, the 2016/17 financial year and the 2017/18 financial year per municipality with level one or level two accreditation. 55

(b) The planned expenditure must indicate the expenditure to be undertaken directly by the province and transfers to each municipality.

(c) The receiving officer of the Human Settlements Development Grant may by notice in the *Gazette*, after taking into account the performance of the municipality and after consultation with the affected municipality and in consultation with the transferring officer, amend the planned expenditure for that municipality published in terms of paragraph (a). 5

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

13. (1) The receiving officer of the Education Infrastructure Grant, Health Facility Revitalisation Grant or Provincial Roads Maintenance Grant must— 10

- (a) submit to the relevant provincial treasury a list of all infrastructure projects partially or fully funded by the relevant grant over the medium term expenditure framework for tabling as part of the estimates of provincial expenditure in the provincial legislature in the format determined by the National Treasury; 15
- (b) within seven days after the tabling in the legislature, submit the list to the transferring officer and the National Treasury;
- (c) submit any amendments to the list, together with reasons for the amendments, to the provincial treasury for tabling with the adjusted estimates of provincial expenditure; 20
- (d) within seven days after the tabling in the legislature, submit the amended list to the transferring officer and the National Treasury; and
- (e) report on all infrastructure expenditure partially or fully funded by the relevant grant to the transferring officer, relevant provincial treasury and the National Treasury in the format and on the date determined by the National Treasury. 25

(2) The receiving officer of the Education Infrastructure Grant or Health Facility Revitalisation Grant must—

- (a) within 22 days after the end of each quarter, submit to the transferring officer, relevant provincial treasury and the National Treasury, a report on the filling of posts on the approved establishment for the infrastructure unit of the affected provincial department in a format determined by the National Treasury; 30
- (b) ensure that projects comply with infrastructure delivery management best practice standards and guidelines, as identified and approved by the National Treasury; and 35
- (c) within two months after the end of the 2015/16 financial year—
 - (i) evaluate the financial and non-financial performance of the province in respect of programmes partially or fully funded by the grant based on the infrastructure budget of the province; and 40
 - (ii) submit the evaluation to the transferring officer, the relevant provincial treasury and the National Treasury.

Infrastructure conditional allocations to metropolitan municipalities

14. (1) The receiving officer of a metropolitan municipality must, by 29 May 2015, submit to the National Treasury a built environment performance plan that includes all projects partially or fully funded by— 45

- (a) the Integrated City Development Grant, Urban Settlements Development Grant, Public Transport Network Grant, Neighbourhood Development Partnership Grant or Integrated National Electrification Programme Grant referred to in Part B of Schedule 5; and
- (b) money allocated for the Human Settlements Development Grant received from a province. 5
- (2) The built environment performance plan, referred to in subsection (1), must—
- (a) be in the format determined by the National Treasury;
- (b) include the following information for each project for the period of the medium term expenditure framework: 10
- (i) Project name;
- (ii) budgeted value of the project;
- (iii) sources of funding for the project;
- (iv) location of the project with respect to the municipality's integration zones; 15
- (v) planned expenditure in the municipality's integration zones from each of the grants referred to in subsection (1)(a), demonstrating an annual increase in the planned expenditure from such grants collectively; and
- (c) be approved by its municipal council.
- (3) The National Treasury must, within seven days after the submission in terms of subsection (1), make available each built environment performance plan to all affected transferring officers and provincial departments. 20
- (4) (a) The receiving officer must report in its annual financial statements on the expenditure from each of the grants mentioned in subsection (1)(a), in each integration zone of the municipality against its built environment performance plan. 25
- (b) The transferring officer of the Integrated National Electrification Programme Grant referred to in Part B of Schedule 6 must report in its annual financial statements on the expenditure in each integration zone of every municipality against the built environment performance plan of the municipality.

Duties in respect of annual financial statements and annual reports for 2015/16 30

- 15.** (1) The 2015/16 financial statements of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate the total amount of that allocation transferred to a province or municipality; 35
- (b) indicate any transfer withheld or stopped in terms of section 18 or 19 in respect of each province or municipality and the reason for the withholding or stopping;
- (c) indicate any transfer not made in accordance with the payment schedule or amended payment schedule, unless withheld or stopped in terms of section 18 or 19, and the reason for the non-compliance; 40
- (d) indicate any reallocations by the National Treasury in terms of section 20;
- (e) certify that all transfers to a province or municipality were deposited into the primary bank account of a province or municipality; and
- (f) indicate the funds, if any, utilised for the administration of the allocation by the receiving officer. 45
- (2) The 2015/16 annual report of a national department responsible for transferring an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation indicate—
- (a) the reasons for the withholding or stopping of all transfers to a province or municipality in terms of section 18 or 19; 50

- (b) the extent that compliance with this Act by provinces or municipalities was monitored;
- (c) the extent that the allocation achieved its objectives and outputs; and
- (d) any non-compliance with this Act, and the steps taken to address the non-compliance. 5
- (3) The 2015/16 financial statements of a provincial department responsible for receiving an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation—
- (a) indicate the total amount of all allocations received;
- (b) indicate the total amount of actual expenditure on each Schedule 5 or 7 allocation; and 10
- (c) certify that all transfers of allocations in Schedules 4, 5 and 7 to the province were deposited into the primary bank account of the province.
- (4) The 2015/16 annual report of a provincial department receiving an allocation in Schedule 4, 5 or 7 must, in addition to any requirement of any other legislation— 15
- (a) indicate the extent that the provincial department complied with this Act;
- (b) indicate the steps taken to address non-compliance with this Act;
- (c) indicate the extent that the allocation achieved its objectives and outputs;
- (d) contain any other information that may be specified in the framework for the allocation; and 20
- (e) contain such other information as the National Treasury may determine.
- (5) The 2015/16 financial statements and annual report of a municipality receiving an allocation in Schedule 4, 5 or 7 must be prepared in accordance with the Municipal Finance Management Act.
- (6) The National Treasury may determine how transferring officers and receiving officers must report on conditional allocations to municipalities within 30 days after the end of each quarter to facilitate the audit of the allocations for the 2015/16 financial year. 25

Part 3

Matters relating to Schedule 4 to 7 allocations

Publication of allocations and frameworks 30

- 16.** (1) The National Treasury must, within 14 days after this Act takes effect, publish by notice in the *Gazette*—
- (a) the conditional allocations per municipality for Part B of Schedule 5 allocations;
- (b) the indicative conditional allocations per province for Part A of Schedule 6 allocations and per municipality for Part B of Schedule 6 allocations; and 35
- (c) the framework for each conditional allocation in Schedules 4 to 7.
- (2) For purposes of correcting an error or omission in an allocation or framework, or amending an indicative conditional allocation for Schedule 6, published in terms of subsection (1), the National Treasury must— 40
- (a) after consultation with or at the written request of a transferring officer; and
- (b) in the case of a proposed amendment of a framework, after submitting the proposed amendment to Parliament for comment for a period of 14 days when Parliament is in session,
- by notice in the *Gazette* amend the affected allocation or framework. 45
- (3) An amendment in terms of subsection (2) takes effect on the date of publication of the notice in the *Gazette*.

Expenditure in terms of purpose and subject to conditions

17. (1) Despite anything to the contrary in any other legislation, an allocation referred to in Schedules 4 to 7 may only be utilised for the purpose stipulated in the Schedule concerned and in accordance with the applicable framework.

(2) A receiving officer may not transfer any portion of a Schedule 5 allocation to any other organ of state for the performance of a function to be funded by the allocation, unless before the transfer is made, the receiving officer and the organ of state agree to a payment schedule, the receiving officer has notified the transferring officer and the National Treasury approves the agreed payment schedule and—

(a) the transfer— 10

(i) is approved in the budget for the receiving provincial department or municipality; or

(ii) if not so approved—

(aa) the receiving officer notifies the National Treasury that the purpose of the transfer is not to artificially inflate the expenditure estimates of the relevant provincial department or municipality and indicates the reasons for the transfer; and 15

(bb) the National Treasury approves the transfer; or

(b) the transfer is for the payment for services or goods procured in accordance with the supply chain management policy or procurement policy of the relevant province or municipality and, if it is an advance payment, paragraph (a)(ii) applies with the necessary changes. 20

(3) For purposes of the implementation of a Schedule 6 allocation to a municipality—

(a) Eskom Holdings Limited may receive funds directly from the transferring officer of the Department of Energy; 25

(b) a water board, as defined in section 1 of the Water Services Act, 1997 (Act No. 108 of 1997), may receive funds directly from the transferring officer of the Department of Water and Sanitation.

(4) (a) For purposes of the Human Settlements Development Grant, a receiving officer and a municipality with level one, two or three accreditation as at 1 April 2015, must, by the date determined by the National Treasury, comply with subsection (2) by— 30

(i) entering into a payment schedule; and

(ii) submitting the payment schedule to the National Treasury.

(b) If a municipality receives accreditation after 1 April 2015, the National Treasury may approve that paragraph (a) applies. 35

(c) If the transfer of the Human Settlements Development Grant to a municipality with level three accreditation is withheld or stopped in terms of section 18 or 19, the receiving officer must request the National Treasury to amend the payment schedule in terms of section 24.

(5) If a function which is partially or fully funded by a conditional allocation to a province is assigned to a municipality, as envisaged in section 10 of the Municipal Systems Act— 40

(a) the funds from the conditional allocation for the province for the function must be stopped in terms of section 19 and reallocated in terms of section 20 to the municipality which has been assigned the function; 45

(b) if possible, the province must finalise any project or fulfil any contract regarding the function before the date the function is assigned and, if not finalised, the province must notify the relevant municipality and the National Treasury;

- (c) any project or contract regarding the function not finalised or fulfilled at the date at which the function is assigned, must be subjected to an external audit and the province and the municipality must enter into an agreement to complete the project or fulfil the contract through ceding it to the municipality; 5
- (d) money that is retained by the province for any contract related to the function that is not ceded to the municipality must be spent by 31 March 2016 and will not be available in terms of section 30 of the Public Finance Management Act or section 22(2);
- (e) the receiving officer of the province must submit to the transferring officer and the National Treasury a list of liabilities attached to the function, that were not transferred to the municipality, within seven days after the function is assigned to provide for the adjustment of the applicable allocations; and 10
- (f) the receiving officer of the municipality must, within one month from the date of the stopping of funds in terms of paragraph (a), submit to the transferring officer a revised plan for its planned expenditure. 15

Withholding of allocations

18. (1) Subject to subsections (2) and (3), a transferring officer may withhold the transfer of a Schedule 4 or 5 allocation, or any portion thereof, for a period not exceeding 30 days, if— 20

- (a) the province or municipality does not comply with any provision of this Act; 20
- (b) roll-overs of conditional allocations approved by the National Treasury in terms of section 22 have not been spent; or
- (c) a satisfactory explanation is not given for significant under-expenditure on previous transfers during the 2015/16 financial year. 25

(2) If an allocation is withheld in terms of subsection (1), it suspends the applicable payment schedule approved in terms of section 23(3) until it is amended in terms of section 24.

(3) The amount withheld in terms of this section in the case of the Health Professions Training and Development Grant or the National Tertiary Services Grant listed in Part A of Schedule 4 may not exceed five per cent of the next transfer as contained in the relevant payment schedule. 30

(4) A transferring officer must, at least seven working days before withholding an allocation in terms of subsection (1)—

- (a) give the relevant receiving officer— 35
 - (i) notice of the intention to withhold the allocation; and
 - (ii) an opportunity to submit written representations as to why the allocation should not be withheld; and
- (b) inform the relevant provincial treasury and the National Treasury, and in respect of any conditional allocation to a municipality, also the provincial department responsible for local government. 40

(5) A notice envisaged in subsection (4) must include the reasons for withholding the allocation and the intended duration of the withholding to inform the amendment of the payment schedule in terms of section 24.

(6) (a) The National Treasury may instruct, or approve a request from, the transferring officer to withhold an allocation in terms of subsection (1) for a period longer than 30 days, but not exceeding 120 days, if the withholding will— 45

- (i) facilitate compliance with this Act; or
- (ii) minimise the risk of under-spending.

(b) When requesting the withholding of an allocation in terms of this subsection, a transferring officer must submit to the National Treasury proof of compliance with subsection (4) and any representations received from the receiving officer. 50

(c) The transferring officer must again comply with subsection (4) when the National Treasury instructs or approves a request by the transferring officer in terms of paragraph (a).

Stopping of allocations

19. (1) Despite section 18, the National Treasury may in its discretion or on request of a transferring officer or a receiving officer stop the transfer of a Schedule 4 or 5 allocation, or a portion thereof, to a province or municipality—

- (a) on the grounds of persistent and material non-compliance with this Act;
- (b) if the National Treasury anticipates that a province or municipality will substantially underspend on the allocation, or any programme, partially or fully funded by the allocation, in the 2015/16 financial year;
- (c) for purposes of the assignment of a function from a province to a municipality, as envisaged in section 10 of the Municipal Systems Act; or
- (d) if a province implementing an infrastructure project does not comply with construction industry best practise standards and guidelines, as identified and approved by the National Treasury.

(2) The National Treasury must, before stopping an allocation in terms of subsection (1)(a), (b) or (d)—

- (a) comply with the procedures in section 18(4)(a), and in respect of a municipality, also with section 38 of the Municipal Finance Management Act; and
- (b) inform the relevant provincial treasury of its intention to stop the allocation.

(3) The National Treasury must give notice in the *Gazette* of the stopping of an allocation in terms of this section and include in the notice the effective date of, and reason for, the stopping.

(4) (a) If—

- (i) an allocation, or any portion thereof, is stopped in terms of subsection (1)(a), (b) or (d); and
- (ii) the relevant transferring officer certifies in writing to the National Treasury that the payment of an amount in terms of a statutory or contractual obligation is overdue and the allocation, or a portion thereof, was intended for payment of the amount,

the National Treasury may, by notice in the *Gazette*, approve that the allocation, or any portion thereof, be utilised to pay that amount partially or fully.

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

Reallocation of funds

20. (1) When a Schedule 4 or 5 allocation or a portion thereof is stopped in terms of section 19(1)(a), (b) or (d), the National Treasury may, after consultation with the transferring officer and the relevant provincial treasury, determine the portion of the allocation to be reallocated, as the same type of allocation as it was allocated originally, to one or more provinces or municipalities, on condition that the allocation must be spent by the end of the 2015/16 financial year or the 2016/17 financial year.

(2) (a) When a Schedule 4 or 5 allocation, or a portion thereof, is stopped in terms of section 19(1)(c), the National Treasury must, after consultation with the transferring officer and the relevant provincial treasury, determine the portion of the allocation to be reallocated, as the same type of allocation as it was allocated originally, to the affected municipalities, on condition that the allocation must be spent by the end of the 2015/16 financial year or the 2016/17 financial year.

(b) The portion of the allocation reallocated in terms of paragraph (a) is, with effect from the notice in the *Gazette* in terms of subsection (3)(a), regarded as having been

converted to an allocation in Part B of the same Schedule it appears before the reallocation.

(3) (a) The National Treasury must—

- (i) give notice in the *Gazette* of a reallocation; and
- (ii) provide a copy of the notice to the transferring officer and each affected receiving officer. 5

(b) The reallocation of an allocation or a portion thereof on condition that it must be spent by the end of the 2016/17 financial year, must be regarded as a roll-over approved by the National Treasury in terms of section 22(2), and any regulations or instructions regarding the process for roll-overs, made or issued in terms of section 76 of the Public Finance Management Act, do not apply. 10

(4) (a) When an intervention in terms of section 100 or 139 of the Constitution or section 137, 139 or 150 of the Municipal Finance Management Act takes place, the National Treasury may, despite subsection (1) and on such conditions as it may determine, authorise in relation to— 15

- (i) section 100 of the Constitution, the transferring officer to spend an allocation stopped in terms of section 19 on behalf of the relevant province;
- (ii) section 139 of the Constitution or section 137 or 139 of the Municipal Finance Management Act, the intervening province to spend an allocation stopped in terms of section 19 of this Act on behalf of the relevant municipality; or 20
- (iii) section 150 of the Municipal Finance Management Act, the relevant transferring officer to spend an allocation stopped in terms of section 19 on behalf of the relevant municipality.

(b) An allocation that is spent by the transferring officer or intervening province referred to in paragraph (a) must, for the purposes of this Act, be regarded as a Schedule 6 allocation from the date on which the authorisation is given. 25

(5) (a) If it is unlikely that a conditional allocation related to infrastructure in Schedule 4, 5 or 6, or a portion thereof, will be spent by the end of the 2015/16 financial year, the National Treasury may, after consultation with the transferring officer and the national department responsible for local government, authorise that any part of the portion of the allocation likely to be unspent be reallocated to pay for the reconstruction and rehabilitation of infrastructure damage caused by a disaster. 30

(b) The reallocated funds must be utilised in the 2015/16 financial year and for the same conditional allocation and the same province or municipality to which the allocation was originally made. 35

(c) The transferring officer must determine the conditions for spending the reallocated funds, after consultation with the national department responsible for local government and with the approval of the National Treasury.

Conversion of allocations

21. (1) If satisfied that— 40

- (a) the conversion will prevent under-expenditure or improve the level of service delivery in respect of the allocation in question; and
- (b) the affected national or provincial department or municipality has demonstrated the capacity to implement projects,

the National Treasury may, in its discretion after consultation with the relevant transferring officer or at the request of the transferring officer or the affected receiving officer, convert any portion of— 45

- (i) an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6;
- (ii) an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5; 50
- (iii) the School Infrastructure Backlogs Grant to the Education Infrastructure Grant; or
- (iv) the National Health Grant listed in Part A of Schedule 6 to the Health Facility

Revitalisation Grant or the National Health Insurance Grant listed in Part A of Schedule 5.

- (2) Any portion of an allocation converted in terms of subsection (1) must be utilised for the same province or municipality to which the allocation was originally made.
- (3) The National Treasury must— 5
- (a) give notice in the *Gazette* of a conversion in terms of subsection (1); and
 - (b) provide a copy of the notice to the transferring officer and each affected receiving officer.
- (4) A conversion in terms of subsection (1) takes effect on the date of publication of the notice in terms of subsection (3)(a). 10
- (5) If an allocation listed in Part B of Schedule 7 is insufficient for a disaster envisaged in section 26(3)(a), the National Treasury may, after consultation with or on the request of the relevant transferring officer, convert any portion of an allocation listed in—
- (a) Part A of Schedule 7 to one listed in Part B of Schedule 7; or
 - (b) Part B of Schedule 7 to one listed in Part A of Schedule 7. 15
- (6) The National Treasury must—
- (a) in the notice published in terms of section 26(3)(c), include notification of the conversion in terms of subsection (5) and the effective date referred to in subsection (7); or
 - (b) provide a copy of the notice to the transferring officer. 20
- (7) A conversion in terms of subsection (5) takes effect on the date that the National Treasury approves it.

Unspent conditional allocations

- 22.** (1) Despite anything to the contrary in the Public Finance Management Act or the Municipal Finance Management Act, any conditional allocation, or a portion thereof, that is not spent at the end of the 2015/16 financial year reverts to the National Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2). 25
- (2) The National Treasury may, at the request of a transferring officer, receiving officer or provincial treasury, approve a roll-over of a conditional allocation to the 2016/17 financial year if the unspent funds are committed to identifiable projects. 30
- (3) (a) The receiving officer must ensure that any funds that must revert to the National Revenue Fund in terms of subsection (1), are paid into that Fund by the date determined by the National Treasury.
- (b) The receiving officer must— 35
- (i) in the case of a provincial department, request the roll-over of unspent funds through its provincial treasury; and
 - (ii) inform the transferring officer of all processes regarding the request.
- (4) The National Treasury may, subject to subsection (5), offset any funds that must revert to the National Revenue Fund in terms of subsection (1), but not paid into that Fund by the date determined in terms of subsection (3)(a)— 40
- (a) in the case of a province, against future advances for conditional allocations to that province; or
 - (b) in the case of a municipality, against future advances for the equitable share or conditional allocations to that municipality.

- (5) Before any funds are offset in terms of subsection (4), the National Treasury must give the relevant transferring officer, province or municipality—
- (a) notice of the intention to offset amounts against future advances for allocations, the intended amount to be offset against allocations and the reasons for the offsetting; and 5
 - (b) an opportunity, within 14 days of receipt of the notice, to—
 - (i) submit written representations and other written proof that the allocation, or a portion thereof, was either spent in terms of the relevant framework or is committed to identifiable projects;
 - (ii) propose alternative means acceptable to the National Treasury by which the unspent allocations can be paid into the National Revenue Fund; and 10
 - (iii) propose an alternative payment schedule in terms of which the unspent allocations will be paid into the National Revenue Fund.

CHAPTER 4

MATTERS RELATING TO ALL ALLOCATIONS 15

Payment schedule

- 23.** (1) (a) The National Treasury must, after consultation with the accounting officer of the provincial treasury, determine the payment schedule for the transfer of a province's equitable share allocation.
- (b) In determining the payment schedule, the National Treasury must take into account the monthly expenditure commitments of provinces and seek to minimise risk and debt servicing costs for national and provincial government. 20
- (c) Despite paragraph (a), the National Treasury may advance funds to a province in respect of its equitable share or a portion of it which has not yet fallen due for transfer in terms of the payment schedule— 25
- (i) for cash management purposes relating to the corporation for public deposits account or when an intervention in terms of section 100 of the Constitution takes place; and
 - (ii) on such conditions as it may determine.
- (d) Any advances in terms of paragraph (c) must be offset against transfers to the province which would otherwise become due in terms of the payment schedule. 30
- (2) (a) The National Treasury must, after consultation with the accounting officer of the national department responsible for local government, determine the payment schedule for the transfer of a municipality's equitable share allocation.
- (b) Despite paragraph (a), the National Treasury may approve a request or direct that the equitable share or a portion of the equitable share which has not yet fallen due for transfer in terms of the payment schedule, be advanced to a municipality— 35
- (i) after consultation with the accounting officer of the national department responsible for local government;
 - (ii) for purposes of cash management in the municipality or an intervention in terms of section 139 of the Constitution or section 137, 139 or 150 of the Municipal Finance Management Act; and 40
 - (iii) on such conditions as it may determine.
- (c) Any advances in terms of paragraph (b) must be offset against transfers to the municipality which would otherwise become due in terms of the payment schedule. 45
- (3) (a) Subject to section 28(1), the National Treasury must, within 14 days after this Act takes effect, approve the payment schedule for the transfer of an allocation listed in Schedule 4 or 5 to a province or municipality.

46

(b) The transferring officer of a Schedule 4 or 5 allocation must submit a payment schedule to the National Treasury for approval before the first transfer is made.

(c) Before the submission of a payment schedule in terms of paragraph (b), the transferring officer must, in relation to a Schedule 4 or 5 allocation, consult the relevant receiving officer. 5

(4) The transferring officer of a Schedule 4 or 5 allocation must provide the receiving officer and the relevant provincial treasury with a copy of the approved payment schedule before making the first transfer in terms thereof.

(5) The transfer of a Schedule 4 or 5 allocation to a municipality must accord with the financial year of the municipality. 10

Amendment of payment schedule

24. (1) (a) Subject to subsection (2), a transferring officer of a Schedule 4 or 5 allocation must, within seven days of the withholding or stopping of an allocation in terms of section 18 or 19, submit an amended payment schedule to the National Treasury for approval. 15

(b) No transfers may be made until the National Treasury has approved the amended payment schedule.

(2) For purposes of better management of debt and cash-flow or addressing financial mismanagement or financial misconduct or slow or accelerated expenditure, the National Treasury may amend any payment schedule for an allocation listed in Schedule 2, 3, 4 or 5, after notifying, in the case of— 20

(a) an allocation to a province, the accounting officer of the provincial treasury in question;

(b) an allocation to a municipality, the accounting officer of the national department responsible for local government; or 25

(c) a Schedule 4 or 5 allocation, the relevant transferring officer.

(3) The amendment of a payment schedule in terms of subsection (1) or (2) must take into account—

(a) the monthly expenditure commitments of provinces or municipalities;

(b) the revenue at the disposal of provinces or municipalities; and 30

(c) the minimisation of risk and debt servicing costs for all three spheres of government.

(4) The transferring officer must immediately inform the receiving officer of any amendment to a payment schedule in terms of subsection (1) or (2).

Transfers made in error or fraudulently 35

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

(2) The responsible transferring officer must, without delay, recover an overpayment referred to in subsection (1), unless an instruction has been issued in terms of subsection (3). 40

(3) The National Treasury may instruct that the recovery referred to in subsection (2) be effected by set-off against future transfers to the affected province, municipality or public entity in terms of a payment schedule. 45

New allocations during financial year and Schedule 7 allocations

26. (1) If further allocations are made to provinces or municipalities, as envisaged in

section 6(3), the National Treasury must, before the transfer of any funds to a province or municipality, by notice in the *Gazette* and as applicable—

- (a) amend any allocation or framework published in terms of section 16;
- (b) publish the allocation per municipality for any new Part B of Schedule 5 allocation or the indicative allocation per municipality for any new Part B of Schedule 6 allocation; or
- (c) publish a framework for any new Schedule 4, 5, 6 or 7 allocation.

(2) Section 16(2) and (3) applies with the necessary changes to allocations and frameworks published in terms of subsection (1).

(3) (a) The transferring officer may, with the approval of the National Treasury, make one or more transfer of a Schedule 7 allocation to a province or municipality for a disaster declared by notice in the provincial gazette in terms of section 41 or 55 of the Disaster Management Act, 2002 (Act No. 57 of 2002), within 100 days after the date of that notice.

(b) The transferring officer must notify the relevant provincial treasury and the National Treasury within 14 days of a transfer of a Schedule 7 allocation to a province or municipality.

(c) The National Treasury must, within 21 days after the end of the 100 day period referred to in paragraph (a), by notice in the *Gazette* publish any transfer of a Schedule 7 allocation made for a disaster.

(d) A Schedule 7 allocation transferred to a province or municipality must be appropriated either in the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriation legislation.

Preparations for 2016/17 financial year and 2017/18 financial year

27. (1) (a) A category C municipality that receives a conditional allocation in terms of this Act must, using the indicative conditional allocations to that municipality for the 2016/17 financial year and the 2017/18 financial year as set out in Column B of the Schedules to this Act, by 2 October 2015—

- (i) agree on the provisional allocations and the projects to be funded from those allocations in the 2016/17 financial year and the 2017/18 financial year with each category B municipality within the category C municipality's area of jurisdiction; and
- (ii) submit to the transferring officer—
 - (aa) the provisional allocations referred to in subparagraph (i); and
 - (bb) the projects referred to in subparagraph (i), listed per municipality.

(b) If a category C municipality and a category B municipality cannot agree on the allocations and projects referred to in paragraph (a), the category C municipality must request the relevant transferring officer to facilitate agreement.

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

(d) Any proposed amendment or adjustment of the allocations that is intended to be published in terms of section 30(3)(b) must be agreed with the relevant category B municipality, the transferring officer and the National Treasury, before publication and the submission of the allocations referred to in paragraph (a)(ii).

(e) If agreement is not reached between the category C municipality and the category B municipality on the provisional allocations and projects referred to in paragraph (a) before 2 October 2015, the National Treasury may determine the provisional allocations and provide those provisional allocations to the affected municipalities and the transferring officer.

(f) (i) The transferring officer must submit the final allocations based on the provisional allocations referred to in paragraph (a)(i) and (ii) and (e) to the National Treasury by 4 December 2015.

(ii) If the transferring officer fails to submit the allocations referred to in subparagraph (i) by 4 December 2015, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the 2016/17 financial year. 5

(2) (a) The transferring officer of a conditional allocation, using the indicative conditional allocations for the 2016/17 financial year and the 2017/18 financial year as set out in Column B of the affected Schedules to this Act, must, by 2 October 2015, submit to the National Treasury— 10

- (i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the 2016/17 financial year;
- (ii) any amendments to the indicative allocations for each province or municipality set out in Column B of the affected Schedules in respect of existing conditional allocations; and 15
- (iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii). 15

(b) The National Treasury must approve any proposed amendment or adjustment for the 2016/17 financial year of the allocation criteria of an existing conditional allocation before the submission of the provisional allocations and draft frameworks. 20

(c) (i) The transferring officer must, under his or her signature, submit the final allocations and frameworks based on the provisional allocations and frameworks to the National Treasury by 4 December 2015.

(ii) The transferring officer may in writing delegate to an employee of his or her department the signing-off envisaged in subparagraph (i), and, in the event of such delegation, a copy of the written delegation must accompany the allocations and frameworks submitted in terms of subparagraph (i). 25

(d) If the transferring officer fails to comply with paragraphs (a), (b) or (c) by the prescribed deadlines, the National Treasury may determine the appropriate draft and final allocations and frameworks taking into consideration the indicative allocations for the 2016/17 financial year. 30

(e) (i) The National Treasury may amend final allocations and frameworks in order to ensure equitable and stable allocations and fair and consistent grant conditions.

(ii) The National Treasury must give notice to the transferring officer of the intention to amend frameworks and allocations and invite the submission of written comment within seven days after the date of the notification. 35

(f) The draft and final frameworks and allocations must be submitted in the format determined by the National Treasury.

(3) The National Treasury may instruct transferring officers, accounting officers of the provincial treasuries and receiving officers to submit to it such plans and information for any conditional allocation as it may determine at specified times before the start of the 2016/17 financial year. 40

(4) (a) For purposes of the Education Infrastructure Grant or Health Facility Revitalisation Grant in the 2016/17 financial year, the receiving officer of the relevant provincial department must, in the format and on the date determined by the National Treasury, submit to the transferring officer, the relevant provincial treasury and the National Treasury— 45

- (i) a user asset management plan for all infrastructure programmes for a period of at least 10 years; 50
- (ii) an infrastructure programme management plan including at least a construction procurement strategy for infrastructure programmes or projects envisaged to commence within the period for the medium term expenditure framework;
- (iii) project proposals and concept reports for all projects in the planning stage envisaged to commence within the medium term expenditure framework period; and 55

(iv) a document that outlines how the infrastructure delivery management system will be implemented in the province and that is approved by the Executive Council of the province before or after the commencement of this Act.

(b) If any substantive change is made to the document referred to in paragraph (a)(iv) during the 2015/16 financial year, the amended document must be approved by the Executive Council of the province before submission to the National Treasury within 14 days after such approval. 5

(c) The National Treasury must notify the transferring officer and the affected provincial departments which infrastructure programmes and projects it will propose for full or partial funding through the grant in the financial years in question. 10

Transfers before commencement of Division of Revenue Act for 2016/17 financial year

28. (1) Despite sections 3(2), 7(2) and 8(2), if the Division of Revenue Act for the 2016/17 financial year has not commenced before or on 1 April 2016, the National Treasury may determine that an amount not exceeding 45 per cent of the total amount of each allocation made in terms of section 3(1), 7(1) or 8(1) be transferred to the relevant province or municipality as a direct charge against the National Revenue Fund. 15

(2) If an amount of an allocation, made in terms of section 7(1) or 8(1), is transferred in terms of subsection (1), the amount is, with the necessary changes, subject to the applicable framework for the 2015/16 financial year and the other requirements of this Act as if it is an amount of an allocation for the 2015/16 financial year. 20

CHAPTER 5

DUTIES AND POWERS OF MUNICIPALITIES, PROVINCIAL TREASURIES AND NATIONAL TREASURY

Duties of municipalities 25

29. (1) (a) In addition to the requirements of the Municipal Finance Management Act, the accounting officer of a category C municipality must, within 10 days after this Act takes effect, submit to the National Treasury and all category B municipalities within that municipality's area of jurisdiction, the budget, as tabled in accordance with section 16 of the Municipal Finance Management Act, for the 2015/16 financial year, the 2016/17 financial year and the 2017/18 financial year, except if submitted in terms of any other legislation before the end of the 10 day period. 30

(b) The budget must indicate all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction and disclose the criteria for allocating funds between the category B municipalities. 35

(2) A category C municipality that is providing a municipal service must, before implementing any capital project for water, electricity, roads or any other municipal service, consult the category B municipalities within whose area of jurisdiction the project will be implemented, and agree in writing which municipality is responsible for the operational costs and the collection of user fees. 40

(3) A category C municipality must ensure that it does not duplicate a function currently performed by a category B municipality and must transfer funds for the provision of services, including basic services, to the relevant category B municipality that is providing municipal services, despite the fact that— 45

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

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

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

- (a) entering into a service delivery agreement with the category C municipality which is authorised to perform the function in terms of the Municipal Structures Act; or 5
- (b) obtaining authorisation to perform the function in terms of the Municipal Structures Act.

(5) (a) A category C municipality and a category B municipality must, before the commencement of a financial year, agree to a payment schedule in respect of the allocations referred to in subsection (1)(b) to be transferred to the category B municipality in that financial year, and the category C municipality must submit that payment schedule to the National Treasury before the commencement of the financial year. 10

(b) A category C municipality must make transfers in accordance with the payment schedule submitted in terms of paragraph (a). 15

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

- (i) make allocations referred to in subsection (1)(b); 20
- (ii) reach an agreement envisaged in subsection (2); or
- (iii) submit a payment schedule in accordance with subsection (5)(a).

(b) Sections 18(4) and 19(2), (3) and (4) of this Act and section 216 of the Constitution apply, with the necessary changes, to the withholding or stopping of an allocation in accordance with paragraph (a). 25

(c) If an allocation is stopped in terms of this subsection, the National Treasury may, after consultation with the transferring officer, determine that a portion of the allocation that will not be spent, be reallocated to one or more municipalities, on condition that the allocation will be spent by the end of the 2015/16 financial year or the 2016/17 financial year. 30

(7) A municipality must ensure that any allocation made to it in terms of this Act, or by a province or another municipality, that is not reflected in its budget as tabled in accordance with section 16 of the Municipal Finance Management Act, is reflected in its budget to be considered for approval in accordance with section 24 of the Municipal Finance Management Act. 35

Duties and powers of provincial treasuries

30. (1) A provincial treasury must reflect allocations listed in Part A of Schedule 5 to the province separately in the appropriation Bill of the province.

(2) (a) A provincial treasury must, on the same day that its budget is tabled in the provincial legislature, or a date not later than 14 days after this Act takes effect, approved by the National Treasury, publish by notice in the *Gazette*— 40

- (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 and per hospital in the province in a format determined by the National Treasury; 45
- (iii) the indicative allocation to any national or provincial public entity for the implementation of a programme funded by an allocation in Part A of Schedule 5 on behalf of a province or for assistance provided to the province in implementing such a programme;
- (iv) the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the 2016/17 financial year and the 2017/18 financial year; and 50
- (v) the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs. 55

(b) The allocations referred to in paragraph (a) must be regarded as final when the provincial appropriation Act takes effect.

(c) If the provincial legislature amends its appropriation Bill, the provincial treasury must publish amended allocations and budgets by notice in the *Gazette* within 14 days after the appropriation Act takes effect, and those allocations and budget must be regarded as final.

(3) (a) Despite subsection (2) or any other legislation, 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 (2). 5

(b) Any amendments to the allocations published in terms of subsection (2)(a) or (c) must be published by notice in the *Gazette* not later than 12 February 2016 and takes effect on the date of the publication. 10

(4) A provincial treasury must, as part of its report in terms of section 40(4)(b) and (c) of the Public Finance Management Act, in the format determined by the National Treasury, report on—

(a) actual transfers received by the province from national departments; 15

(b) actual expenditure on such allocations, excluding Schedule 4 allocations, up to the end of that month; and

(c) actual transfers made by the province to municipalities and public entities, and actual expenditure by municipalities and public entities on such allocations, based on the latest information available from municipalities and public entities at the time of reporting. 20

(5) (a) A provincial treasury must—

(i) ensure that a payment schedule is agreed between each provincial department and receiving institution envisaged in subsection (2)(a);

(ii) ensure that transfers are made promptly to the relevant receiving officer in terms of the agreed payment schedule; and 25

(iii) submit the payment schedules to the National Treasury within 14 days after this Act takes effect.

(b) If a provincial department and receiving institution do not agree to a payment schedule in time for submission to the National Treasury, the provincial treasury must, after consultation with the transferring officer, determine the payment schedule. 30

(6) If a provincial treasury fails to make a transfer in terms of subsection (5)(a), the relevant receiving officer may request the provincial treasury to immediately make the transfer or to provide written reasons within three working days as to why the transfer has not been made. 35

(7) If a provincial treasury fails to make the transfer requested by the receiving officer or provide reasons in terms of subsection (6), or the receiving officer disputes the reasons provided by the provincial treasury as to why the transfer has not been made, the receiving officer may request the National Treasury to investigate the matter.

(8) On receipt of a request in terms of subsection (7), the National Treasury must— 40

(a) consult the transferring officer on the matter;

(b) investigate the matter, assess any reasons given by the provincial treasury as to why the transfer was not made;

(c) direct the provincial treasury to immediately effect the transfer or provide reasons to the receiving officer confirming why the provincial treasury was correct in not making the transfer; and 45

(d) advise the provincial treasury and the receiving officer as to what steps must be taken to ensure the transfer.

Duties and powers of National Treasury

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

(2) The National Treasury must, together with the statement envisaged in section 32(2) of the Public Finance Management Act, publish a report on actual transfers of all allocations listed in Schedules 4, 5, 6 and 7 or made in terms of section 26. 5

(3) The National Treasury may in any report it publishes that aggregates statements published by provincial treasuries envisaged in section 71(7) of the Municipal Finance Management Act, and in any report in respect of municipal finances, include a report on the equitable share and conditional allocations provided for in this Act. 10

CHAPTER 6**GENERAL****Liability for costs incurred in violation of principles of cooperative governance and intergovernmental relations 15**

32. (1) An organ of state involved in an intergovernmental dispute regarding any provision of this Act or any division of revenue matter or allocation must, before approaching a court to resolve such dispute, make every effort to settle the dispute with the other organ of state concerned, including exhausting all mechanisms provided for the settlement of disputes in relevant legislation. 20

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

(3) The amount of any such fruitless and wasteful expenditure must, in terms of the applicable procedures in the Public Finance Management Act or the Municipal Finance Management Act, be recovered without delay from the person who caused the organ of state not to comply with subsection (1). 25

Irregular expenditure

33. The following transfers must be regarded as irregular expenditure in terms of the Public Finance Management Act or the Municipal Finance Management Act, as the case may be: 30

- (a) A transfer prohibited in terms of section 17(2);
- (b) a transfer by a transferring officer to a bank account of a province or municipality that is not the primary bank account; 35
- (c) a transfer envisaged in section 25(1); or
- (d) a transfer made or expenditure of an allocation in contravention of this Act.

Financial misconduct

34. (1) Despite anything to the contrary in any other legislation, any wilful or negligent non-compliance with a provision of this Act constitutes financial misconduct. 40

(2) Section 84 of the Public Finance Management Act or section 171 of the Municipal Finance Management Act, as the case may be, applies in respect of financial misconduct envisaged in subsection (1).

Delegations and assignments

35. (1) The Minister may, in writing, delegate any of the powers entrusted to, and 45

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—

- (a) is subject to any limitations or conditions that the Minister may impose; 5
- (b) may authorise that official to sub-delegate, in writing, the delegated power or assigned duty to any other official of the National Treasury; 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.

(3) The Minister may vary or revoke any decision taken by an official as a result of a delegation or assignment, subject to any rights that may have vested as a consequence of the decision. 10

(4) (a) A Member of the Executive Council responsible for finance in a province may, in writing, delegate any power entrusted to, and assign any duty imposed on, the provincial treasury in terms of this Act, to an official of the provincial treasury. 15

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

Exemptions

36. (1) The Minister may, if good grounds exist, approve a departure from a provision of a framework, a regulation made under section 37 or a condition imposed in terms of this Act. 20

(2) For purposes of subsection (1), good grounds include the fact that the provision of the framework, regulation or condition—

- (a) cannot be implemented in practice;
- (b) impedes the achievement of any object of this Act; or 25
- (c) undermines the financial viability of the affected national or provincial department or municipality.

(3) Any departure approved in terms of subsection (1) must set out the period and conditions of the departure, if any, and must be published by notice in the *Gazette*.

Regulations 30

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

- (a) anything which must or may be prescribed in terms of this Act; or
- (b) any ancillary or incidental administrative or procedural matter that it is necessary to prescribe for the proper implementation or administration of this Act. 35

Repeal of laws and savings

38. (1) Subject to subsection (2) and (3)—

- (a) the Division of Revenue Act, 2014 (Act No. 10 of 2014), except sections 16 and 26, is hereby repealed;
- (b) sections 16 and 26 of the Division of Revenue Act, 2014, is hereby repealed with effect from 1 July 2015 or the date that this Act takes effect, whichever is the later date; and 40
- (c) the Division of Revenue Amendment Act, 2014 (Act No. 38 of 2014), is hereby repealed.

(2) Any repeal referred to in subsection (1) does not affect— 45

- (a) any duty to be performed in terms of any provision of an Act referred to in subsection (1) after the end of the 2015/16 financial year; and

(b) any obligation in terms of any provision of an Act referred to in subsection (1), the execution of which is outstanding.

(3) Any framework published in terms of section 16 of the Division of Revenue Act, 2014, as amended in terms of section 16 or 26 of that Act, applies to funds of a conditional allocation approved for roll-over in terms of section 22(2) of that Act, if that conditional allocation does not continue to exist in terms of this Act. 5

Short title and commencement

39. This Act is called the Division of Revenue Act, 2015, and takes effect on 1 April 2015 or the date of publication 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	
	2015/16	Forward Estimates	
		2016/17	2017/18
	R'000	R'000	R'000
National ^{1,2}	789 463 526	851 811 074	936 457 697
Provincial	382 673 477	405 264 594	428 892 540
Local	50 207 698	52 868 706	55 512 141
TOTAL	1 222 344 701	1 309 944 374	1 420 862 378

1. National share includes conditional allocations to provincial and local spheres, general fuel levy sharing with metropolitan municipalities, debt-service costs and the contingency reserve
2. 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	
	2015/16	Forward Estimates	
		2016/17	2017/18
	R'000	R'000	R'000
Eastern Cape	54 311 819	57 367 961	60 069 069
Free State	21 757 298	22 775 186	23 979 176
Gauteng	73 413 414	78 236 773	83 601 741
KwaZulu-Natal	82 253 946	86 885 446	91 429 978
Limpopo	45 377 444	48 120 920	50 502 078
Mpumalanga	31 029 509	32 970 925	35 113 208
Northern Cape	10 137 746	10 730 339	11 396 762
North West	26 150 635	27 675 998	29 492 553
Western Cape	38 241 666	40 501 046	43 307 975
TOTAL	382 673 477	405 264 594	428 892 540

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		
		2015/16	Forward Estimates	
			2016/17	2017/18
		R'000	R'000	R'000
EASTERN CAPE				
A	BUF Buffalo City	655 141	643 419	649 421
A	NMA Nelson Mandela Bay	774 616	789 729	834 568
B	EC101 Camdeboo	43 279	43 753	44 555
B	EC102 Blue Crane Route	44 654	44 143	43 491
B	EC103 Ikwezi	20 720	21 057	20 950
B	EC104 Makana	75 767	76 049	77 157
B	EC105 Ndlambe	73 102	76 509	79 625
B	EC106 Sundays River Valley	55 182	59 228	62 773
B	EC107 Baviaans	23 452	24 047	24 192
B	EC108 Kouga	82 099	91 310	100 056
B	EC109 Kou-Kamma	37 662	39 415	41 035
C	DC10 Sarah Baartman District Municipality	80 759	82 444	83 373
Total: Cacadu Municipalities		536 676	557 955	577 207
B	EC121 Mbashe	209 735	210 574	204 695
B	EC122 Mnquma	234 405	232 254	224 029
B	EC123 Great Kei	42 202	41 379	39 588
B	EC124 Amahlathi	124 034	121 326	115 916
B	EC126 Ngqushwa	82 854	80 993	77 425
B	EC127 Nkonkobe	130 357	129 198	124 581
B	EC128 Nxuba	26 561	26 185	25 223
C	DC12 Amathole District Municipality	699 595	740 645	794 777
Total: Amatole Municipalities		1 549 743	1 582 554	1 606 234
B	EC131 Inxuba Yethemba	40 912	38 527	36 043
B	EC132 Tsolwana	38 820	39 300	38 537
B	EC133 Inkwanca	24 998	25 145	24 581
B	EC134 Lukhanji	117 676	115 174	111 362
B	EC135 Intsika Yethu	145 974	146 337	142 352
B	EC136 Emalahleni	116 537	117 289	114 454
B	EC137 Engcobo	134 844	135 694	132 108
B	EC138 Sakhisizwe	59 581	59 362	57 411
C	DC13 Chris Hani District Municipality	446 759	478 364	512 703
Total: Chris Hani Municipalities		1 126 101	1 155 192	1 169 551
B	EC141 Elundini	132 110	133 807	131 096
B	EC142 Senqu	135 985	135 567	131 602
B	EC143 Maletswai	27 487	27 646	27 673
B	EC144 Gariep	27 626	26 779	25 626
C	DC14 Joe Gqabi District Municipality	209 607	224 702	240 509
Total: Joe Gqabi Municipalities		532 815	548 501	556 506
B	EC153 Ngquza Hill	200 197	201 455	196 020
B	EC154 Port St Johns	120 534	121 258	117 951
B	EC155 Nyandeni	216 750	217 959	212 536
B	EC156 Mhlontlo	159 404	157 780	151 549
B	EC157 King Sabata Dalindyebo	251 210	253 935	251 266
C	DC15 O.R. Tambo District Municipality	622 201	671 954	721 881
Total: O.R. Tambo Municipalities		1 570 296	1 624 341	1 651 203
B	EC441 Matatiele	176 181	176 031	170 532
B	EC442 Umzimvubu	169 767	168 185	161 716
B	EC443 Mbizana	181 314	180 170	173 758
B	EC152 Ntabankulu	98 871	97 675	93 611
C	DC44 Alfred Nzo District Municipality	365 517	387 616	410 995
Total: Alfred Nzo Municipalities		991 650	1 009 677	1 010 612
Total: Eastern Cape Municipalities		7 737 038	7 911 368	8 055 302

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	
		2015/16	Forward Estimates	
		2016/17	2017/18	
		R'000	R'000	R'000
FREE STATE				
A	MAN Mangaung	596 652	590 539	608 267
B	FS161 Letsemeng	49 784	46 735	43 779
B	FS162 Kopanong	78 370	69 687	61 096
B	FS163 Mohokare	54 870	53 785	52 936
B	FS171 Naledi	40 967	40 211	39 380
C	DC16 Xhariep District Municipality	30 091	30 500	30 273
Total: Xhariep Municipalities		254 082	240 918	227 464
B	FS181 Masilonyana	88 321	86 013	83 576
B	FS182 Tokologo	44 637	42 864	41 018
B	FS183 Tswelopele	62 570	58 858	54 941
B	FS184 Matjhabeng	402 909	377 726	359 950
B	FS185 Nala	120 422	107 030	93 457
C	DC18 Lejweleputswa District Municipality	110 390	111 991	112 917
Total: Lejweleputswa Municipalities		829 249	784 482	745 859
B	FS191 Setsoto	166 309	157 720	149 764
B	FS192 Dihlabeng	125 216	121 929	121 212
B	FS193 Nketoana	80 525	77 945	76 015
B	FS194 Maluti-a-Phofung	451 439	465 235	475 003
B	FS195 Phumelela	60 462	59 025	57 739
B	FS196 Mantsopa	69 174	66 756	64 723
C	DC19 Thabo Mofutsanyana District Municipality	96 978	98 550	98 822
Total: Thabo Mofutsanyana Municipalities		1 050 103	1 047 160	1 043 278
B	FS201 Moqhaka	161 083	156 489	154 096
B	FS203 Ngwathe	159 059	156 313	155 181
B	FS204 Metsimaholo	115 423	124 038	135 456
B	FS205 Mafube	78 587	76 201	74 250
C	DC20 Fezile Dabi District Municipality	140 135	142 101	143 726
Total: Fezile Dabi Municipalities		654 287	655 142	662 709
Total: Free State Municipalities		3 384 373	3 318 241	3 287 577

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	
		2015/16	Forward Estimates	
			2016/17	2017/18
	R'000	R'000	R'000	
GAUTENG				
A	EKU Ekurhuleni	2 181 182	2 385 328	2 640 836
A	JHB City of Johannesburg	2 864 065	3 201 671	3 578 411
A	TSH City of Tshwane	1 654 390	1 886 413	2 131 544
B	GT421 Emfuleni	600 889	596 234	611 980
B	GT422 Midvaal	68 291	76 430	85 618
B	GT423 Lesedi	82 794	91 538	100 941
C	DC42 Sedibeng District Municipality	245 760	250 824	255 332
Total: Sedibeng Municipalities		997 734	1 015 026	1 053 871
B	GT481 Mogale City	259 185	286 333	317 887
B	GT482 Randfontein	95 613	98 270	104 449
B	GT483 Westonaria	121 466	129 865	138 671
B	GT484 Merafong City	168 320	158 626	154 062
C	DC48 West Rand District Municipality	184 842	188 849	192 250
Total: West Rand Municipalities		829 426	861 943	907 319
Total: Gauteng Municipalities		8 526 797	9 350 381	10 311 981

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	
		2015/16	Forward Estimates	
			2016/17	2017/18
	R'000	R'000	R'000	
KWAZULU-NATAL				
A	ETH eThekweni	2 115 453	2 289 678	2 510 109
B	KZN211 Vulamehlo	62 870	63 294	61 523
B	KZN212 uMmdoni	60 678	64 415	65 936
B	KZN213 Umzumbe	127 112	125 089	119 861
B	KZN214 uMuziwabantu	76 322	77 571	76 242
B	KZN215 Ezinqoleni	43 543	44 037	43 046
B	KZN216 Hibiscus Coast	125 965	132 233	136 793
C	DC21 Ugu District Municipality	362 776	396 722	431 686
Total: Ugu Municipalities		859 266	903 361	935 087
B	KZN221 uMshwathi	84 824	86 127	85 373
B	KZN222 uMngeni	44 316	47 340	50 609
B	KZN223 Mpofana	27 603	27 815	27 611
B	KZN224 Impendle	32 943	32 909	31 995
B	KZN225 Msunduzi	395 786	421 033	458 801
B	KZN226 Mkhambathini	51 341	52 669	52 170
B	KZN227 Richmond	54 162	56 174	56 317
C	DC22 Umkungundlovu District Municipality	398 469	432 422	468 463
Total: Umkungundlovu Municipalities		1 089 444	1 156 489	1 231 339
B	KZN232 Ennambithi/Ladysmith	120 062	120 269	119 645
B	KZN233 Indaka	75 580	73 820	70 701
B	KZN234 Umtshezi	50 138	52 557	53 690
B	KZN235 Okhahlamba	98 494	98 317	95 287
B	KZN236 Imbabazane	84 471	82 623	79 084
C	DC23 Uthukela District Municipality	310 472	331 219	355 197
Total: Uthukela Municipalities		739 217	758 805	773 604
B	KZN241 Endumeni	41 242	42 121	42 690
B	KZN242 Nquthu	115 965	115 953	112 456
B	KZN244 Msinga	134 627	137 741	136 043
B	KZN245 Umvoti	85 271	89 352	90 391
C	DC24 Umzinyathi District Municipality	240 374	262 086	284 764
Total: Umzinyathi Municipalities		617 479	647 253	666 344
B	KZN252 Newcastle	298 215	299 978	307 066
B	KZN253 Emadlangeni	21 017	21 232	20 783
B	KZ254 Dannhauser	74 181	74 141	71 921
C	DC25 Amajuba District Municipality	120 927	128 857	136 941
Total: Amajuba Municipalities		514 340	524 208	536 711

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	
		2015/16	Forward Estimates	
			2016/17	2017/18
	R'000	R'000	R'000	
B	KZN261 eDumbe	57 632	57 919	56 452
B	KZN262 uPhongolo	96 890	98 096	96 501
B	KZN263 Abaqulusi	106 693	108 233	107 572
B	KZN265 Nongoma	123 997	124 259	120 410
B	KZN266 Ulundi	128 213	127 325	122 413
C	DC26 Zululand District Municipality	322 706	346 723	372 861
Total: Zululand Municipalities		836 131	862 555	876 209
B	KZN271 Umhlabuyalingana	121 138	125 459	124 997
B	KZN272 Jozini	136 441	138 632	136 049
B	KZN273 The Big Five False Bay	31 134	32 633	32 708
B	KZN274 Hlabisa	49 368	50 337	49 344
B	KZN275 Mtubatuba	116 487	121 754	122 015
C	DC27 Umkhanyakude District Municipality	265 376	292 876	320 377
Total: Umkhanyakude Municipalities		719 944	761 691	785 490
B	KZN281 Mfölozi	93 949	97 078	96 332
B	KZN282 uMhlathuze	229 925	245 576	261 960
B	KZN283 Ntambanana	42 362	42 422	40 486
B	KZN284 uMlalazi	145 537	148 146	145 948
B	KZN285 Mthonjaneni	38 963	39 112	38 061
B	KZN286 Nkandla	82 242	81 438	78 045
C	DC28 uThungulu District Municipality	410 276	444 127	480 348
Total: Uthungulu Municipalities		1 043 254	1 097 899	1 141 180
B	KZN291 Mandeni	119 361	123 461	123 733
B	KZN292 KwaDukuza	105 352	114 767	124 033
B	KZN293 Ndwedwe	110 311	111 944	109 596
B	KZN294 Maphumulo	74 233	73 361	70 399
C	DC29 iLembe District Municipality	338 090	375 152	413 009
Total: iLembe Municipalities		747 347	798 685	840 770
B	KZN431 Ingwe	83 132	83 714	81 755
B	KZN432 Kwa Sani	15 076	15 032	14 642
B	KZN433 Greater Kokstad	47 497	43 752	39 622
B	KZN434 Ubuhlebezwe	85 227	86 003	84 025
B	KZN435 Umzimkhulu	151 222	154 042	151 986
C	DC43 Harry Gwala District Municipality	241 033	256 784	275 160
Total: Sisonke Municipalities		623 187	639 327	647 190
Total: KwaZulu-Natal Municipalities		9 905 062	10 439 951	10 944 033

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	
		2015/16	Forward Estimates	
		2016/17	2017/18	
		R'000	R'000	R'000
LIMPOPO				
B	LIM331 Greater Giyani	221 971	224 360	220 158
B	LIM332 Greater Letaba	208 866	209 992	205 548
B	LIM333 Greater Tzaneen	288 642	293 532	292 259
B	LIM334 Ba-Phalaborwa	107 805	110 912	110 792
B	LIM335 Maruleng	92 441	93 956	92 470
C	DC33 Mopani District Municipality	631 553	689 900	750 934
Total: Mopani Municipalities		1 551 278	1 622 652	1 672 161
B	LIM341 Musina	47 735	51 088	53 794
B	LIM342 Mutale	88 938	91 791	91 163
B	LIM343 Thulamela	433 020	442 734	440 450
B	LIM344 Makhado	354 731	360 778	358 823
C	DC34 Vhembe District Municipality	681 432	748 796	818 144
Total: Vhembe Municipalities		1 605 856	1 695 187	1 762 374
B	LIM351 Blouberg	147 635	148 335	144 712
B	LIM352 Aganang	122 831	122 653	118 801
B	LIM353 Molemole	106 287	105 489	102 169
B	LIM354 Polokwane	522 595	568 208	616 043
B	LIM355 Lepelle-Nkumpi	204 754	205 856	200 863
C	DC35 Capricorn District Municipality	502 417	539 932	579 927
Total: Capricorn Municipalities		1 606 519	1 690 473	1 762 515
B	LIM361 Thabazimbi	60 064	59 287	60 525
B	LIM362 Lephalale	87 409	90 304	96 015
B	LIM364 Mookgopong	41 540	44 331	46 436
B	LIM365 Modimolle	59 775	58 486	57 795
B	LIM366 Bela-Bela	63 428	68 288	72 970
B	LIM367 Mogalakwena	341 563	352 996	360 879
C	DC36 Waterberg District Municipality	111 232	113 698	115 381
Total: Waterberg Municipalities		765 011	787 390	810 001
B	LIM471 Ephraim Mogale	118 546	121 195	120 142
B	LIM472 Elias Motsoaledi	212 959	216 012	212 886
B	LIM473 Makhuduthamaga	228 571	230 641	226 428
B	LIM474 Fetakgomo	83 169	84 331	82 555
B	LIM475 Greater Tubatse	234 852	244 658	246 367
C	DC47 Sekhukhune District Municipality	546 538	605 864	666 284
Total: Sekhukhune Municipalities		1 424 635	1 502 701	1 554 662
Total: Limpopo Municipalities		6 953 299	7 298 403	7 561 713

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	
		2015/16	Forward Estimates	
			2016/17	2017/18
	R'000	R'000	R'000	
MPUMALANGA				
B	MP301 Albert Luthuli	219 137	226 756	232 189
B	MP302 Msukaligwa	114 641	119 148	127 385
B	MP303 Mkhondo	153 190	162 922	170 990
B	MP304 Pixley Ka Seme	91 201	89 095	87 184
B	MP305 Lekwa	83 027	84 444	88 022
B	MP306 Dipaleseng	52 509	53 758	55 387
B	MP307 Govan Mbeki	194 986	197 366	208 046
C	DC30 Gert Sibande District Municipality	270 971	275 627	279 802
Total: Gert Sibande Municipalities		1 179 662	1 209 116	1 249 005
B	MP311 Victor Khanye	67 348	72 518	77 844
B	MP312 Emalahleni	229 575	256 739	288 276
B	MP313 Steve Tshwete	119 935	136 945	156 145
B	MP314 Emakhazeni	48 486	51 585	54 519
B	MP315 Thembisile Hani	288 644	302 262	313 991
B	MP316 Dr JS Moroka	314 082	320 052	321 994
C	DC31 Nkangala District Municipality	326 223	333 595	340 394
Total: Nkangala Municipalities		1 394 293	1 473 696	1 553 163
B	MP321 Thaba Chweu	104 771	114 508	124 626
B	MP322 Mbombela	462 073	503 877	544 750
B	MP323 Umjindi	67 369	71 926	76 257
B	MP324 Nkomazi	423 037	448 779	467 584
B	MP325 Bushbuckridge	635 931	661 704	678 874
C	DC32 Ehlanzeni District Municipality	217 441	222 950	226 639
Total: Ehlanzeni Municipalities		1 910 622	2 023 744	2 118 730
Total: Mpumalanga Municipalities		4 484 577	4 706 556	4 920 898

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	
				2015/16	Forward Estimates	
		R'000	2016/17	2017/18	R'000	R'000
NORTHERN CAPE						
B	NC061	Richtersveld	13 401	13 428	13 555	
B	NC062	Nama Khoi	36 818	37 439	38 799	
B	NC064	Kamiesberg	17 563	18 075	18 187	
B	NC065	Hantam	20 662	20 157	19 958	
B	NC066	Karoo Hoogland	15 812	16 426	17 034	
B	NC067	Khâi-Ma	14 782	15 260	15 777	
C	DC6	Namakwa District Municipality	35 005	35 407	35 579	
Total: Namakwa Municipalities			154 043	156 192	158 889	
B	NC071	Ubuntu	25 241	26 260	26 845	
B	NC072	Umsobomvu	34 931	35 704	36 711	
B	NC073	Emthanjeni	35 929	35 088	34 668	
B	NC074	Kareeberg	18 021	18 843	19 256	
B	NC075	Renosterberg	18 179	18 558	18 669	
B	NC076	Thembelihle	18 676	19 187	19 447	
B	NC077	Siyathemba	24 220	24 934	25 709	
B	NC078	Siyancuma	39 475	38 633	37 704	
C	DC7	Pixley Ka Seme District Municipality	35 320	35 988	36 007	
Total: Pixley Ka Seme Municipalities			249 992	253 195	255 016	
B	NC081	Mier	14 577	14 878	14 736	
B	NC082	'Kai !Garib	52 338	53 123	55 103	
B	NC083	//Khara Hais	57 629	58 936	62 196	
B	NC084	'Kheis	19 697	20 020	20 082	
B	NC085	Tsantsabane	28 192	28 784	30 150	
B	NC086	Kgatelopele	17 104	17 693	18 665	
C	DC8	Z.F. Mgcawu District Municipality	50 237	51 229	51 783	
Total: Siyanda Municipalities			239 774	244 663	252 715	
B	NC091	Sol Plaatje	143 335	140 315	142 006	
B	NC092	Dikgatlong	58 153	59 655	60 568	
B	NC093	Magareng	34 766	34 948	34 778	
B	NC094	Phokwane	77 299	78 145	78 493	
C	DC9	Frances Baard District Municipality	98 936	105 379	111 650	
Total: Frances Baard Municipalities			412 489	418 442	427 495	
B	NC451	Joe Morolong	115 253	117 673	117 381	
B	NC452	Ga-Segonyana	109 444	117 316	123 402	
B	NC453	Gamagara	22 923	24 527	27 669	
C	DC45	John Taolo Gaetsewe District Municipality	64 383	66 295	67 960	
Total: John Taolo Gaetsewe Municipalities			312 003	325 811	336 412	
Total: Northern Cape Municipalities			1 368 301	1 398 303	1 430 527	

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	
				2015/16	Forward Estimates	
					2016/17	2017/18
		R'000	R'000	R'000		
NORTH WEST						
B	NW371	Moretele	260 987	269 294	271 533	
B	NW372	Madibeng	457 443	507 593	555 314	
B	NW373	Rustenburg	399 145	455 618	515 886	
B	NW374	Kgetlengrivier	57 478	60 970	64 225	
B	NW375	Moses Kotane	322 570	331 216	335 664	
C	DC37	Bojanala Platinum District Municipality	294 712	303 734	310 947	
Total: Bojanala Platinum Municipalities			1 792 335	1 928 425	2 053 569	
B	NW381	Ratlou	99 822	99 176	95 982	
B	NW382	Tswaing	86 304	86 267	84 724	
B	NW383	Mafikeng	173 855	176 464	175 874	
B	NW384	Ditsobotla	88 789	88 817	88 273	
B	NW385	Ramotshere Moiloa	127 415	128 238	125 571	
C	DC38	Ngaka Modiri Molema District Municipality	510 260	551 951	595 833	
Total: Ngaka Modiri Molema Municipalities			1 086 445	1 130 913	1 166 257	
B	NW392	Naledi	39 618	39 704	39 615	
B	NW393	Mamusa	43 070	43 537	43 217	
B	NW394	Greater Taung	171 557	171 806	166 657	
B	NW396	Lekwa-Teemane	37 480	38 081	38 118	
B	NW397	NW397	102 421	101 937	98 604	
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	260 500	283 870	305 823	
Total: Dr Ruth Segomotsi Mompati Municipalities			654 646	678 935	692 034	
B	NW401	Ventersdorp	63 366	66 182	68 344	
B	NW402	Tlokwe	119 625	133 969	149 587	
B	NW403	City of Matlosana	339 737	335 009	339 718	
B	NW404	Maquassi Hills	91 878	92 709	93 814	
C	DC40	Dr Kenneth Kaunda District Municipality	165 682	169 296	172 358	
Total: Dr Kenneth Kaunda Municipalities			780 288	797 165	823 821	
Total: North West Municipalities			4 313 714	4 535 438	4 735 681	

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	
		2015/16	Forward Estimates	
			2016/17	2017/18
		R'000	R'000	
WESTERN CAPE				
A	CPT City of Cape Town	1 809 797	2 036 500	2 263 607
B	WC011 Matzikama	41 409	42 968	45 926
B	WC012 Cederberg	34 235	36 690	39 235
B	WC013 Bergrivier	30 454	33 442	36 704
B	WC014 Saldanha Bay	55 497	62 559	69 815
B	WC015 Swartland	51 772	60 348	68 762
C	DC1 West Coast District Municipality	80 458	82 466	83 957
Total: West Coast Municipalities		293 825	318 473	344 399
B	WC022 Witzenberg	54 850	59 924	65 615
B	WC023 Drakenstein	96 845	106 929	117 664
B	WC024 Stellenbosch	84 962	97 590	109 738
B	WC025 Breede Valley	81 661	88 862	96 734
B	WC026 Langeberg	57 378	58 933	62 262
C	DC2 Cape Winelands District Municipality	217 006	220 761	224 219
Total: Cape Winelands Municipalities		592 702	632 999	676 232
B	WC031 Theewaterskloof	63 908	68 752	74 003
B	WC032 Overstrand	64 598	72 270	79 604
B	WC033 Cape Agulhas	20 679	22 195	23 939
B	WC034 Swellendam	21 922	22 885	24 591
C	DC3 Overberg District Municipality	51 338	52 532	53 057
Total: Overberg Municipalities		222 445	238 634	255 194
B	WC041 Kannaland	22 391	22 534	22 673
B	WC042 Hessequa	31 529	33 203	35 792
B	WC043 Mossel Bay	63 673	69 978	76 343
B	WC044 George	100 693	110 264	121 141
B	WC045 Oudtshoorn	54 373	57 338	60 437
B	WC047 Bitou	57 298	65 012	71 575
B	WC048 Knysna	56 163	62 237	67 761
C	DC4 Eden District Municipality	138 902	142 206	145 104
Total: Eden Municipalities		525 022	562 772	600 826
B	WC051 Laingsburg	12 015	12 315	12 427
B	WC052 Prince Albert	15 247	16 035	16 556
B	WC053 Beaufort West	44 160	46 322	48 220
C	DC5 Central Karoo District Municipality	19 324	19 700	19 476
Total: Central Karoo Municipalities		90 746	94 372	96 679
Total: Western Cape Municipalities		3 534 537	3 883 750	4 236 937
Unallocated		-	26 315	27 492
National Total		50 207 698	52 868 706	55 512 141

SCHEDULE 4, PART A

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	
					2015/16	2016/17	2017/18	Forward Estimates
Agriculture, Forestry and Fisheries (Vote 24)	Comprehensive Agricultural Support Programme Grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land restitution and redistribution, and other previously disadvantaged producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in exports; to address damage to infrastructure caused by floods.	General conditional allocation to provinces	Eastern Cape	R'000	R'000	R'000	R'000
				Free State	261 909	268 611	284 877	284 877
				Gauteng	171 012	179 444	190 987	190 987
				KwaZulu-Natal	82 454	89 132	97 177	97 177
				Limpopo	226 161	230 344	245 823	245 823
				Mpumalanga	261 844	268 169	280 768	280 768
				Northern Cape	169 684	184 014	189 221	189 221
				North West	135 768	134 729	148 302	148 302
				Western Cape	195 066	177 970	191 604	191 604
					147 054	169 411	179 981	179 981
	TOTAL	1 650 952	1 701 824	1 808 740	1 808 740			
Basic Education (Vote 14)	(a) Education Infrastructure Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation; to enhance capacity to deliver infrastructure in education; to address damage to infrastructure caused by natural disasters.	General conditional allocation to provinces	Eastern Cape	R'000	R'000	R'000	R'000
				Free State	1 703 877	1 532 003	1 400 000	1 400 000
				Gauteng	762 553	707 553	742 931	742 931
				KwaZulu-Natal	935 725	1 274 825	1 428 566	1 428 566
				Limpopo	1 978 683	1 857 648	1 950 530	1 950 530
				Mpumalanga	805 128	845 384	953 589	953 589
				Northern Cape	857 247	802 247	842 359	842 359
				North West	446 998	359 545	300 000	300 000
				Western Cape	995 107	853 678	842 359	842 359
				Unallocated	1 032 237	874 263	860 226	860 226
	TOTAL	9 517 555	9 773 692	10 330 562	10 330 562			
(b) Occupational Specific Dispensation for Education Sector Therapists Grant	To augment the baseline compensation budget of the Provincial Education Departments (PEDs) to enable them to comply with the Education Labour Relations Council Collective Agreement 1 of 2012.	General conditional allocation to provinces	Eastern Cape	R'000	R'000	R'000	R'000	
			Free State	2 067	-	-	-	
			Gauteng	5 775	-	-	-	
			KwaZulu-Natal	29 442	-	-	-	
			Limpopo	13 079	-	-	-	
			Mpumalanga	-	-	-	-	
			Northern Cape	337	-	-	-	
North West	2	-	-	-				
Western Cape	446	-	-	-				
	15 852	-	-	-				
	TOTAL	67 000	-	-	-			

SCHEDULE 4, PART A
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	
					2015/16	R'000	2016/17	R'000
Health (Vote 16)	(a) Health Professions Training and Development Grant	Support provinces to fund service costs associated with training health science trainees on the public service platform.	Nationally assigned function to provinces	Eastern Cape	204 430	213 212	226 566	
				Free State	149 756	156 189	165 971	
				Gauteng	829 604	865 244	919 438	
				KwaZulu-Natal	299 513	312 377	331 943	
				Limpopo	118 855	123 960	131 724	
				Mpumalanga	97 460	101 646	108 013	
				Northern Cape	78 445	81 815	86 939	
				North West	106 970	111 565	118 552	
				Western Cape	489 689	510 716	542 703	
				TOTAL	2 374 722	2 476 724	2 631 849	
	(b) National Tertiary Services Grant	Ensure provision of tertiary health services for all South African citizens; to compensate tertiary facilities for the additional costs associated with provision of these services.	Nationally assigned function to provinces	Eastern Cape	803 770	838 458	890 973	
				Free State	918 387	958 021	1 018 025	
				Gauteng	3 572 856	3 727 048	3 960 484	
				KwaZulu-Natal	1 530 246	1 596 286	1 696 266	
				Limpopo	330 462	344 723	366 314	
				Mpumalanga	99 311	103 597	110 086	
				Northern Cape	305 477	318 661	338 620	
				North West	242 625	253 096	268 948	
				Western Cape	2 594 901	2 706 888	2 876 429	
				TOTAL	10 398 035	10 846 778	11 526 145	

SCHEDULE 4, PART A

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	
					2015/16	2016/17	2017/18	Forward Estimates
Transport (Vote 35)	(a) Provincial Roads Maintenance Grant	To supplement provincial investments for routine, periodic and special maintenance; to ensure all roads are classified as per the Road Infrastructure Strategic Framework for South Africa and the Road Classification and Access Management guidelines; to implement and maintain Road Asset Management Systems; to supplement provincial projects for the repair of roads and bridges damaged by declared natural disasters; to improve the state of the road network serving electricity generation infrastructure; to improve road safety with a special focus on pedestrian safety in rural areas.	General conditional allocation to provinces	Eastern Cape Free State Gauteng KwaZulu-Natal Limpopo Mpumalanga Northern Cape North West Western Cape	R'000 1 289 151 1 142 796 455 821 1 779 255 994 762 1 719 418 822 430 788 060 858 962	R'000 1 320 312 1 209 539 482 443 1 851 165 1 056 656 1 656 521 870 464 834 086 856 776	R'000 1 408 404 1 296 144 516 986 1 983 711 1 155 155 1 765 199 932 790 893 808 855 838	
	(b) Public Transport Operations Grant	To provide supplementary funding towards public transport services provided by provincial departments of transport.	Nationally assigned function to provinces	Eastern Cape Free State Gauteng KwaZulu-Natal Limpopo Mpumalanga Northern Cape North West Western Cape	9 850 655 199 595 220 669 1 860 048 924 766 298 298 502 272 44 907 92 313 796 580	10 137 962 208 115 230 088 1 939 446 964 241 311 031 523 712 46 824 96 253 830 582	10 808 035 221 150 244 499 2 060 920 1 024 634 330 512 556 513 49 757 102 282 882 604	
	TOTAL			TOTAL	9 850 655	10 137 962	10 808 035	
				TOTAL	4 939 448	5 150 292	5 472 871	

SCHEDULE 4, PART B
ALLOCATIONS TO MUNICIPALITIES TO SUPPLEMENT THE FUNDING OF FUNCTIONS FUNDED FROM MUNICIPAL BUDGETS

Vote	Name of allocation	Purpose	City	Column A		Column B	
				2015/16		Forward Estimates	
				R'000	R'000	2016/17	2017/18
Human Settlements (Vote 38)	Urban Settlements Development Grant	Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households.	Buffalo City	713 132	748 370	R'000	791 090
			City of Cape Town	1 387 760	1 456 336		1 539 467
			City of Johannesburg	1 731 220	1 816 766		1 920 473
			City of Tshwane	1 500 683	1 574 837		1 664 734
			Ekurhuleni	1 842 887	1 933 951		2 044 348
			eThekweni	1 838 336	1 929 176		2 039 299
			Mangaung	693 847	728 133		769 697
			Nelson Mandela Bay	846 480	888 308		939 015
			TOTAL	10 554 345	11 075 877		11 708 123
			National Treasury (Vote 7)	Integrated City Development Grant	To provide a financial incentive for metropolitan municipalities to achieve a more compact urban spatial form through integrating and focusing their use of available infrastructure investment and regulatory instruments.	Buffalo City	5 605
City of Cape Town	50 826	48 982					53 629
City of Johannesburg	49 327	58 082					63 592
City of Tshwane	39 702	38 262					41 892
Ekurhuleni	43 194	41 627					45 577
eThekweni	46 781	45 083					49 361
Mangaung	10 157	9 789					10 718
TOTAL	251 300	266 805		292 119			

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2015/16	Forward Estimates	2017/18
					R'000	R'000	R'000
Agriculture, Forestry and Fisheries (Vote 24)	(a) Ilima/Letsema Projects Grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production.	Conditional allocation	Eastern Cape	50 131	63 876	67 356
				Free State	60 990	59 447	63 178
				Gauteng	24 234	26 059	27 673
				KwaZulu-Natal	69 402	63 876	67 356
				Limpopo	50 337	63 876	67 356
				Mpumalanga	46 270	49 136	52 213
				Northern Cape	69 460	55 050	58 480
				North West	50 337	59 450	63 178
				Western Cape	49 607	50 593	55 349
				TOTAL	470 768	491 363	522 139
	(b) Land Care Programme Grant: Poverty Relief and Infrastructure Development	To promote sustainable use and management of natural resources by engaging in community-based initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all.	Conditional allocation	Eastern Cape	10 666	11 155	11 812
				Free State	5 275	5 493	5 865
				Gauteng	4 601	4 785	5 123
				KwaZulu-Natal	10 666	11 157	11 812
				Limpopo	10 001	10 456	11 072
				Mpumalanga	5 948	6 201	6 608
				Northern Cape	7 302	7 616	8 094
				North West	7 971	8 324	8 838
				Western Cape	3 933	4 078	4 380
				TOTAL	66 363	69 265	73 604
Arts and Culture (Vote 37)	Community Library Services Grant	To transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives.	Conditional allocation	Eastern Cape	143 694	150 431	159 750
				Free State	155 776	158 869	162 662
				Gauteng	155 693	164 450	176 073
				KwaZulu-Natal	157 696	164 273	176 737
				Limpopo	112 156	116 407	124 831
				Mpumalanga	150 325	156 400	166 420
				Northern Cape	147 121	153 424	166 645
				North West	130 096	137 605	144 735
				Western Cape	158 469	165 273	174 907
				TOTAL	1 311 026	1 367 132	1 452 760

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2015/16	2017/18	2016/17	Forward Estimates
Basic Education (Vote 14)	(a) HIV and AIDS (Life Skills Education) Grant	To support South Africa's HIV prevention strategy by increasing sexual and reproductive health knowledge, skills and appropriate decision making among learners and educators; to mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators; to ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment/abuse; to reduce the vulnerability of children to HIV, TB and sexually transmitted infections (STIs), with a particular focus on orphaned and vulnerable children.	Conditional allocation	Eastern Cape	R'000	R'000	R'000	R'000
				Free State	37 086	39 591	41 936	13 980
				Gauteng	10 462	12 967	34 436	
				KwaZulu-Natal	29 945	32 449	56 115	
				Limpopo	50 588	53 096	35 339	
				Mpumalanga	30 875	33 310	20 102	
				Northern Cape	19 631	18 798	5 547	
				North West	5 281	5 281	17 825	
				Western Cape	17 531	16 629	20 028	
				TOTAL	221 030	230 849	245 308	
	(b) Maths, Science and Technology Grant	To provide support and resources to schools, teachers and learners for the improvement of Mathematics, Sciences and Technology (MST) teaching and learning at selected public schools; to improve the achievement of learner participation and success rates, teacher demand, supply, utilisation, development and support, school resourcing and partnerships, consistent with targets set in the Action Plan 2019 and the National Development Plan.	Conditional allocation	Eastern Cape	45 059	46 898	48 907	
				Free State	32 145	33 466	35 963	
				Gauteng	47 842	49 810	53 493	
				KwaZulu-Natal	59 998	62 452	63 882	
				Limpopo	40 979	42 553	45 019	
				Mpumalanga	39 136	41 639	41 978	
				Northern Cape	22 113	23 030	25 858	
				North West	33 378	34 754	37 606	
				Western Cape	26 535	27 842	32 439	
				TOTAL	347 185	362 444	385 145	

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A		Column B	
					2015/16	Forward Estimates	2016/17	2017/18
Basic Education (Vote 14)	(c) National School Nutrition Programme Grant	To provide nutritious meals and deworming to targeted learners.	Conditional allocation	Eastern Cape	R'000	R'000	R'000	R'000
				Free State	1 020 116	1 074 182	1 127 891	1 127 891
				Gauteng	317 157	333 966	350 665	350 665
				KwaZulu-Natal	678 974	714 960	750 709	750 709
				Limpopo	1 287 034	1 355 247	1 423 009	1 423 009
				Mpumalanga	1 030 799	1 085 431	1 139 703	1 139 703
				Northern Cape	545 910	574 843	603 585	603 585
				North West	142 724	150 289	157 803	157 803
				Western Cape	381 566	401 789	421 878	421 878
				TOTAL	5 703 715	6 006 012	6 306 313	6 306 313
Health (Vote 16)	(a) Comprehensive HIV and AIDS Grant	To enable the health sector to develop an effective response to HIV and AIDS and TB; to support the national Department of Health Emergency Plan for AIDS Relief transition process.	Conditional allocation	Eastern Cape	1 577 065	1 775 590	2 002 178	2 002 178
				Free State	911 946	1 026 745	1 157 770	1 157 770
				Gauteng	2 928 300	3 296 924	3 717 652	3 717 652
				KwaZulu-Natal	3 813 094	4 293 096	4 840 948	4 840 948
				Limpopo	1 056 975	1 190 031	1 341 893	1 341 893
				Mpumalanga	927 214	1 043 934	1 177 153	1 177 153
				Northern Cape	371 253	417 987	471 327	471 327
				North West	1 012 984	1 140 501	1 286 043	1 286 043
				Western Cape	1 138 481	1 281 795	1 445 369	1 445 369
				TOTAL	13 737 312	15 466 603	17 440 333	17 440 333
	(b) Health Facility Revitalisation Grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including health technology, organisational development systems and quality assurance; to enhance capacity to deliver health infrastructure.	Conditional allocation	Eastern Cape	592 073	533 068	559 721	559 721
				Free State	564 950	492 698	492 698	492 698
				Gauteng	313 630	697 868	841 234	841 234
				KwaZulu-Natal	1 229 775	1 047 521	1 099 898	1 099 898
				Limpopo	194 255	393 468	443 141	443 141
				Mpumalanga	287 942	291 839	336 431	336 431
				Northern Cape	593 591	380 727	378 727	378 727
				North West	695 404	498 657	496 657	496 657
				Western Cape	804 142	589 566	587 460	587 460
				Unallocated	-	547 268	581 043	581 043
TOTAL	5 275 762	5 472 680	5 817 010	5 817 010				

SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2015/16	Forward Estimates	
					R'000	2016/17	2017/18
Health (Vote 16)	(c) National Health Insurance Grant	Test innovations in health services delivery and provision for implementing National Health Insurance, allowing for each district to interpret and design innovations relevant to its specific context in line with the vision for realising universal health coverage for all; to undertake health system strengthening activities in identified focus areas; to assess the effectiveness of interventions/activities undertaken in the districts funded through this grant.	Conditional allocation	Eastern Cape	7 204	7 543	8 016
				Free State	7 204	7 543	8 016
				Gauteng	7 204	7 543	8 013
				KwaZulu-Natal	14 408	15 086	16 032
				Limpopo	7 204	7 543	8 016
				Mpumalanga	7 206	7 546	8 016
				Northern Cape	7 204	7 543	8 016
				North West	7 204	7 543	8 016
				Western Cape	7 204	7 543	8 016
				TOTAL	72 042	75 433	80 157
Human Settlements (Vote 38)	Human Settlements Development Grant	To provide funding for the creation of sustainable and integrated human settlements.	Conditional allocation	Eastern Cape	1 962 372	2 167 156	2 332 862
				Free State	1 057 284	1 210 630	1 285 972
				Gauteng	4 979 844	5 473 336	5 769 301
				KwaZulu-Natal	3 235 475	3 414 957	3 632 106
				Limpopo	1 283 877	1 311 709	1 362 651
				Mpumalanga	1 265 162	1 419 973	1 488 961
				Northern Cape	380 408	402 276	427 374
				North West	2 063 131	2 297 286	2 435 403
				Western Cape	1 975 122	2 186 668	2 325 713
				TOTAL	18 202 675	19 883 991	21 060 343
Public Works (Vote 11)	(a) Expanded Public Works Programme Integrated Grant for Provinces	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme guidelines: road maintenance and the maintenance of buildings, low traffic volume roads and rural roads, other economic and social infrastructure, tourism and cultural industries, sustainable land based livelihoods and waste management.	Conditional allocation	Eastern Cape	75 937	-	-
				Free State	22 825	-	-
				Gauteng	24 627	-	-
				KwaZulu-Natal	90 143	-	-
				Limpopo	25 115	-	-
				Mpumalanga	36 810	-	-
				Northern Cape	17 723	-	-
				North West	33 061	-	-
				Western Cape	24 371	-	-
				Unallocated	-	402 009	423 802
TOTAL	350 612	402 009	423 802				

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2015/16	Forward Estimates	2017/18
					R'000	R'000	R'000
Public Works (Vote 11)	(b) Social Sector Expanded Public Works Programme Incentive Grant for Provinces	To incentivise provincial social sector departments, identified in the 2014 Social Sector Expanded Public Works Programme log-frame to increase job creation by focusing on the strengthening and expansion of social sector programmes that have employment potential.	Conditional allocation	Eastern Cape	11 054	-	-
				Free State	21 379	-	-
				Gauteng	72 702	-	-
				KwaZulu-Natal	21 502	-	-
				Limpopo	26 935	-	-
				Mpumalanga	29 733	-	-
				Northern Cape	16 004	-	-
				North West	31 254	-	-
				Western Cape	10 000	-	-
				Unallocated	-	359 662	385 583
Social Development (Vote 17)	Substance Abuse Treatment Grant	To provide funding for the construction of substance dependency treatment facilities in the provinces of Eastern Cape, Free State, Northern Cape and North West.	Conditional allocation	Eastern Cape	2 000	-	-
				Free State	6 500	29 500	-
				Gauteng	-	-	-
				KwaZulu-Natal	-	-	-
				Limpopo	-	-	-
				Mpumalanga	-	-	-
				Northern Cape	22 000	18 000	-
				North West	17 000	-	-
				Western Cape	-	-	-
				TOTAL	47 500	47 500	73 173
Sport and Recreation South Africa (Vote 40)	Mass Participation and Sport Development Grant	To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders.	Conditional allocation	Eastern Cape	61 066	69 031	73 173
				Free State	64 526	42 574	45 128
				Gauteng	89 864	101 586	107 680
				KwaZulu-Natal	89 191	91 254	96 730
				Limpopo	63 459	63 086	66 870
				Mpumalanga	44 039	51 706	54 808
				Northern Cape	29 181	32 986	36 444
				North West	40 752	46 067	48 832
				Western Cape	55 216	62 418	66 163
				TOTAL	537 294	560 708	595 828

SCHEDULE 5, PART B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A	Column B	
			2015/16	Forward Estimates	2017/18
			R'000	R'000	R'000
RECURRENT GRANTS					
Cooperative Governance and Traditional Affairs (Vote 4)	(a) Municipal Demarcation Transition Grant	To subsidise the additional institutional and administrative costs arising from type C boundary changes due to come into effect at the time of the 2016 local government elections.	39 000	50 000	50 000
	(b) Municipal Systems Improvement Grant	To assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislations.	251 442	258 540	278 957
Energy (Vote 26)	Energy Efficiency and Demand Side Management Grant	To provide subsidies to municipalities to implement Energy Efficiency and Demand Side Management initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.	177 899	185 625	203 236
Human Settlements (Vote 38)	Municipal Human Settlements Capacity Grant	To build capacity in municipalities to deliver and subsidise the operational costs of administering human settlements programmes.	100 000	100 000	115 000
National Treasury (Vote 7)	(a) Infrastructure Skills Development Grant	To recruit unemployed graduates in municipalities to be trained as per the requirements of the relevant Statutory Councils within the built environment.	124 465	130 471	140 774
	(b) Local Government Financial Management Grant	To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act.	452 491	465 264	502 006
Public Works (Vote 11)	Expanded Public Works Programme Integrated Grant for Municipalities	To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme Guidelines: road maintenance and the maintenance of buildings, low traffic volume roads and rural roads, basic services infrastructure, including water and sewer reticulation, sanitation, pipelines (excluding bulk infrastructure), other economic and social infrastructure, tourism and cultural industries, waste management, parks and beautification, sustainable land-based livelihoods, social services programme, health service programme and community safety programme.	587 685	663 991	716 427
Water and Sanitation (Vote 36)	Water Services Operating Subsidy Grant	To subsidise, refurbish and restore the functionality of water services schemes previously owned and/or operated by the Department of Water and Sanitation or by other agencies on behalf of the department.	452 915	465 701	502 477
TOTAL			2 185 897	2 319 592	2 508 877

SCHEDULE 5, PART B
SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A		Column B	
			2015/16		Forward Estimates	
			R'000	R'000	2016/17	2017/18
INFRASTRUCTURE GRANTS						
Cooperative Governance and Traditional Affairs (Vote 4)	(a) Municipal Disaster Recovery Grant	To rehabilitate and reconstruct disaster damaged municipal infrastructure.	188 900	140 000	-	-
	(b) Municipal Infrastructure Grant	To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.	14 955 762	15 547 855	16 435 376	
Energy (Vote 26)	Integrated National Electrification Programme (Municipal) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure.	1 980 340	2 036 246	2 197 048	
National Treasury (Vote 7)	Neighbourhood Development Partnership Grant	To plan, catalyse and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life and the levels of access to opportunities for residents in South Africa's under-served neighbourhoods, generally townships.	607 000	624 000	663 390	
Transport (Vote 35)	(a) Public Transport Network Grant	To provide funding for accelerated construction, improvement of public and non-motorised transport infrastructure that form part of a municipal integrated public transport network and to support the planning, regulation, control, management and operations of financially sustainable municipal public transport network services.	5 953 090	6 162 691	6 609 895	
	(b) Rural Roads Asset Management Systems Grant	To assist rural district municipalities to set up rural Road Asset Management Systems, and collect road, bridge and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa.	96 842	101 514	107 309	
Water and Sanitation (Vote 36)	(a) Municipal Water Infrastructure Grant	To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a water supply service.	1 803 932	1 185 802	1 773 142	
	(b) Rural Households Infrastructure Grant	To provide specific capital funding for the reduction of rural sanitation backlogs and to target existing households where bulk-dependent services are not viable.	48 182	113 479	124 245	
TOTAL			25 634 048	25 911 587	27 910 405	

SCHEDULE 6, PART A
ALLOCATIONS-IN-KIND TO PROVINCES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A	Column B	
			2015/16	Forward Estimates	2017/18
			R'000	R'000	R'000
Basic Education (Vote 14)	School Infrastructure Backlogs Grant	Eradication of entire inappropriate school infrastructure; provision of water, sanitation and electricity to schools.	2 046 825	2 374 867	2 619 873
Health (Vote 16)	National Health Grant	To address capacity constraints in provinces and to create an alternate track to speed up infrastructure delivery; to improve spending, performance, monitoring and evaluation on National Health Insurance pilots and infrastructure projects; to fund the introduction of the Human Papillomavirus vaccination programme in schools.	1 411 250	1 221 024	1 347 002
		TOTAL	3 458 075	3 595 891	3 966 875

SCHEDULE 6, PART B
ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A		Column B	
			2015/16	2016/17	2017/18	Forward Estimates
			R'000		R'000	
Cooperative Governance and Traditional Affairs (Vote 4)	(a) Municipal Infrastructure Grant	To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.	-	-	-	-
	(b) Municipal Demarcation Transition Grant	To subsidise the additional institutional and administrative costs arising from type C boundary changes due to come into effect at the time of the 2016 local government elections.	-	-	-	-
Energy (Vote 26)	Integrated National Electrification Programme (Eskom) Grant	To implement the Integrated National Electrification Programme by providing capital subsidies to Eskom to address the electrification backlog of occupied residential dwellings, the installation of bulk infrastructure and rehabilitation and refurbishment of electricity infrastructure in order to improve quality of supply in Eskom licenced areas.	3 613 243	3 776 334	3 946 154	
Human Settlements (Vote 38)	Urban Settlements Development Grant	Supplements the capital revenues of metropolitan municipalities in order to support the national human settlements development programme, focusing on poor households.	-	-	-	-
National Treasury (Vote 7)	Neighbourhood Development Partnership Grant	To plan, catalyse and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life and the levels of access to opportunity for residents in South Africa's under-served neighbourhoods, generally townships.	25 895	22 209	27 744	
Water and Sanitation (Vote 36)	(a) Bucket Eradication Programme Grant	To provide funding for the eradication of bucket sanitation.	975 399	-	-	-
	(b) Municipal Water Infrastructure Grant	To facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving a water supply service.	791 729	1 511 545	2 087 122	
	(c) Regional Bulk Infrastructure Grant	To develop new, refurbish, upgrade and replace ageing infrastructure that connects water resources to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality. To develop new, refurbish, upgrade and replace ageing waste water infrastructure of regional significance. To pilot regional Water Demand Management and Water Conservation projects or facilitate and contribute to the implementation of local Water Demand Management and Water Conservation projects that will directly have an impact on the bulk infrastructure requirements.	4 921 654	5 323 602	4 854 782	
	(d) Rural Households Infrastructure Grant	To provide specific capital funding for the reduction of rural sanitation backlogs and to target existing households where bulk-dependent services are not viable.	67 328	-	-	-
TOTAL			10 395 248	10 633 690	10 915 802	

SCHEDULE 7, PART A
UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2015/16	Forward Estimates	
			2016/17	2017/18	
			R'000	R'000	R'000
Cooperative Governance and Traditional Affairs (Vote 4)	Provincial Disaster Grant	To provide for the immediate release of funds for disaster response.	103 194	111 545	123 432
		TOTAL	103 194	111 545	123 432

SCHEDULE 7 PART B
UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2015/16	Forward Estimates	
			2016/17	2017/18	
			R'000	R'000	R'000
Cooperative Governance and Traditional Affairs (Vote 4)	Municipal Disaster Grant	To provide for the immediate release of funds for disaster response.	261 149	269 922	300 281
		TOTAL	261 149	269 922	300 281